

**BRADLEY BEACH SCHOOL DISTRICT**

Bradley Beach, New Jersey  
County of Monmouth

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2022**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE  
BRADLEY BEACH SCHOOL DISTRICT  
BRADLEY BEACH, NEW JERSEY**

**YEAR ENDED JUNE 30, 2022**

**PREPARED BY DISTRICT FINANCE OFFICER  
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY  
DAVID TONZOLA**



## TABLE OF CONTENTS

|                                                                                                                                                    | PAGE |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------|
| <b>INTRODUCTORY SECTION</b><br>(First Section)                                                                                                     |      |
| Letter of Transmittal                                                                                                                              | 1    |
| Organizational Chart                                                                                                                               | 7    |
| Roster of Officials                                                                                                                                | 9    |
| Consultants and Advisors                                                                                                                           | 11   |
| <b>FINANCIAL SECTION</b><br>(Second Section)                                                                                                       |      |
| Independent Auditor's Report                                                                                                                       | 15   |
| <b>REQUIRED SUPPLEMENTARY INFORMATION – PART I</b>                                                                                                 |      |
| Management's Discussion and Analysis                                                                                                               | 21   |
| <b>BASIC FINANCIAL STATEMENTS</b>                                                                                                                  |      |
| A. Government-Wide Financial Statements:                                                                                                           |      |
| A-1 Statement of Net Position                                                                                                                      | 33   |
| A-2 Statement of Activities                                                                                                                        | 34   |
| B. Fund Financial Statements:                                                                                                                      |      |
| B-1 Balance Sheet                                                                                                                                  | 39   |
| B-2 Statement of Revenues, Expenditures and Changes in Fund Balances                                                                               | 40   |
| B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes<br>in Fund Balances of Governmental Funds to the Statement of Activities | 41   |
| Proprietary Funds:                                                                                                                                 |      |
| B-4 Statement of Net Position                                                                                                                      | 45   |
| B-5 Statement of Revenues, Expenditures and Changes in Fund Net Position                                                                           | 46   |
| B-6 Statement of Cash Flows                                                                                                                        | 47   |
| Notes to Financial Statements                                                                                                                      | 51   |
| <b>REQUIRED SUPPLEMENTARY INFORMATION – PART II</b>                                                                                                |      |
| C. Budgetary Comparison Schedules                                                                                                                  |      |
| C-1 Budgetary Comparison Schedule – General Fund                                                                                                   | 91   |
| C-2 Budgetary Comparison Schedule – Special Revenue Fund                                                                                           | 101  |
| Notes to the Required Supplementary Information - Part II                                                                                          |      |
| C-3 Budget-to-GAAP Reconciliation                                                                                                                  | 105  |

**TABLE OF CONTENTS**

|                                                                                                    | PAGE |
|----------------------------------------------------------------------------------------------------|------|
| <b>REQUIRED SUPPLEMENTARY INFORMATION – PART III</b>                                               |      |
| L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)                            |      |
| L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS             | 111  |
| L-2 Schedule of the School District Contributions - PERS                                           | 112  |
| L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF             | 113  |
| M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)      |      |
| M-1 Schedule of Changes in Net OPEB Liability and Related Ratios                                   | 117  |
| Notes to the Required Supplementary Information - Part III                                         | 121  |
| <b>OTHER SUPPLEMENTARY INFORMATION</b>                                                             |      |
| D. School Based Budget Schedules Fund (if applicable):                                             |      |
| D-1 Combining Balance Sheet                                                                        | N/A  |
| D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual           | N/A  |
| D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual                   | N/A  |
| E. Special Revenue Fund:                                                                           |      |
| E-1 Combining Schedule of Program Revenues & Expenditures - Special Revenue Fund – Budgetary Basis | 129  |
| E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis                          | 132  |
| F. Capital Projects Fund:                                                                          |      |
| F-1 Summary Schedule of Project Expenditures                                                       | N/A  |
| F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis       | N/A  |
| H. Fiduciary Funds:                                                                                |      |
| H-1 Combining Statement of Fiduciary Net Position                                                  | N/A  |
| H-2 Combining Statement of Changes in Fiduciary Net Position                                       | N/A  |
| I. Long-Term Debt:                                                                                 |      |
| I-1 Schedule of Serial Bonds Payable                                                               | 139  |
| I-2 Schedule of Obligations Under Leases                                                           | N/A  |
| I-3 Debt Service Fund - Budgetary Comparison Schedule                                              | 140  |
| I-4 Schedule of Early Retirement Incentive Plan Loans Payable                                      | N/A  |

## TABLE OF CONTENTS

PAGE

### STATISTICAL SECTION (Unaudited) (Third Section)

|                                     |                                                             |     |
|-------------------------------------|-------------------------------------------------------------|-----|
| Financial Trends:                   |                                                             |     |
| J-1                                 | Net Position by Component                                   | 145 |
| J-2                                 | Changes in Net Position                                     | 146 |
| J-3                                 | Fund Balances – Governmental Funds                          | 148 |
| J-4                                 | Changes in Fund Balances – Governmental Funds               | 149 |
| J-5                                 | General Fund - Other Local Revenue by Source                | 150 |
| Revenue Capacity:                   |                                                             |     |
| J-6                                 | Assessed Value & Actual Value of Taxable Property           | 153 |
| J-7                                 | Direct and Overlapping Property Tax Rates                   | 154 |
| J-8                                 | Principal Property Taxpayers                                | 155 |
| J-9                                 | Property Tax Levies and Collections                         | 156 |
| Debt Capacity:                      |                                                             |     |
| J-10                                | Ratios of Outstanding Debt by Type                          | 159 |
| J-11                                | Ratios of Net General Bonded Debt Outstanding               | 160 |
| J-12                                | Ratios of Overlapping Governmental Activities Debt          | 161 |
| J-13                                | Legal Debt Margin Information                               | 162 |
| Demographic & Economic Information: |                                                             |     |
| J-14                                | Demographic & Economic Statistics                           | 165 |
| J-15                                | Principal Employers                                         | 166 |
| Operating Information:              |                                                             |     |
| J-16                                | Full-Time Equivalent District Employees by Function/Program | 169 |
| J-17                                | Operating Statistics                                        | 170 |
| J-18                                | School Building Information                                 | 171 |
| J-19                                | Schedule of Required Maintenance                            | 172 |
| J-20                                | Insurance Schedule                                          | 173 |

### SINGLE AUDIT SECTION (Fourth Section)

|     |                                                                                                                                                                                                                    |     |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| K-1 | Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards | 177 |
| K-2 | Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with New Jersey OMB Circular Letter 15-08                                                  | 179 |
| K-3 | Schedule of Expenditures of Federal Awards, Schedule A                                                                                                                                                             | 183 |
| K-4 | Schedule of Expenditures of State Financial Assistance, Schedule B                                                                                                                                                 | 185 |
| K-5 | Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance                                                                                                                                | 186 |
| K-6 | Schedule of Findings and Questioned Cost                                                                                                                                                                           |     |
|     | Section I - Summary of Auditor's Results                                                                                                                                                                           | 188 |
|     | Section II - Financial Statement Findings                                                                                                                                                                          | 190 |
|     | Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs                                                                                                                              | 191 |
| K-7 | Summary Schedule of Prior Year Audit Findings                                                                                                                                                                      | 192 |

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**INTRODUCTORY SECTION**

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# BOROUGH OF BRADLEY BEACH BOARD OF EDUCATION

515 Brinley Avenue • Bradley Beach • New Jersey 07720

*Mr. Michael Heidelberg*  
*Superintendent of Schools*

*Dwoid J. Tonzola*  
*School Business Administrator /*  
*Board Secretary*

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**February 16, 2023**

Honorable President and Members  
of the Board of Education  
Bradley Beach School District  
County of Monmouth, New Jersey

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Bradley Beach School District for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Bradley Beach School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2022, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

**REPORTING ENTITY AND ITS SERVICES**

The Bradley Beach School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular and vocational as well as special education for children with special needs. The School District's enrollment, as of October 15<sup>th</sup>, for the current and past nine fiscal years are detailed below.

| <u>Fiscal Year</u> | <u>Student Enrollment</u> | <u>Percent Change</u> |
|--------------------|---------------------------|-----------------------|
| 2021-2022          | 235.00                    | -9.96%                |
| 2020-2021          | 261.00                    | -4.40%                |
| 2019-2020          | 273.00                    | -7.45%                |
| 2018-2019          | 295.00                    | -7.80%                |
| 2017-2018          | 318.00                    | 10.80%                |
| 2016-2017          | 287.00                    | -3.37%                |
| 2015-2016          | 297.00                    | 4.95%                 |
| 2014-2015          | 283.00                    | -4.07%                |
| 2013-2014          | 295.00                    | 3.87%                 |
| 2012-2013          | 284.00                    | 4.41%                 |

## ECONOMIC CONDITION AND OUTLOOK

The Borough of Bradley Beach is close to 100% occupancy and property values continue to climb. A number of improvements along the beachfront make it a popular place to visit and business in the area is booming. Redevelopment on Main Street will result in the renovation and replacement of some commercial buildings resulting in new business openings.

The total property assessment for Bradley Beach for the last three years is as follows:

|      |                 |
|------|-----------------|
| 2022 | \$1,756,328,800 |
| 2021 | 1,537,970,400   |
| 2020 | 1,467,727,600   |

## MAJOR INITIATIVES

### Maintaining our School System

The Bradley Beach Elementary School understands that the process of budgeting is not a year to year event, but rather an establishment of a budget for a school year which fits into the framework of the immediate and extended future. Funds should not be utilized to establish positions in one school year which would be impossible to fund the next. Bradley Beach is currently in the last year of a 5-year strategic plan, which was established to set District Priorities. At this point we are in year five of the pervious plan and we are adhering to the developed plans for staffing, curriculum, character education, and facilities. The ultimate goal of the plan is to improve academic performance, while helping to restore the beauty of our century old building. The Bradley Beach Board of Education is aware that it is important that we begin planning for a new strategic vision, and we have begun the next strategic planning cycle under the leadership of the new Superintendent and with the council of the New Jersey School Boards Association. Bradley Beach Elementary School, like all schools in the country, was deeply affected by the changes to the ways that we educate students during the pandemic, and this has made it more difficult to budget for future events. Unforeseen costs and changes to established rules and recommendations has caused our district to become more reactionary than ever before. However, as we move past the global pandemic, and through the development of the next strategic plan, Bradley Beach is confident that we will be able to proactively plan and help to mitigate learning loss.

### Raising Standards and Expanding Opportunities

The Bradley Beach Elementary School recognizes that learning and behavior are two components to a health school climate. Throughout the year, we have worked with all staff to strengthen morning meeting into our school day, as well as implement character based lessons for our students. We have dedicated the first 30 minutes of our day to an extended homeroom, and within that morning meeting period, two staff members have been assigned to each homeroom to help manage administrative duties of homeroom while having another staff member to focus on the student meeting. This program has helped develop relationships among students which will help to improve student interactions and student behaviors. This program has also improved connections between students in a virtual setting and students in the in-person setting, which has helped the virtual students feel connected to our school.

In 2020-21, Bradley Beach Elementary School implemented a new Mathematics program which provided for robust and aligned materials. Accompanying this program was professional development provided by a math coach. This program focuses on providing students with a deep understanding of mathematical concepts through the use of illustrations and real-world examples. The goal of the program is to help students develop problem-solving skills and a strong foundation in mathematics that they can apply to a variety of situations. By using engaging and interactive teaching methods, the program aims to make math more accessible and enjoyable for students. The school is excited to see how the program will improve student achievement in mathematics. This implementation represented a considerable investment of both time and resources.

Finally, providing Chromebooks to all students has been incredibly important in supporting their learning during and after the pandemic. The widespread closures of schools and shift to remote learning have highlighted the need for students to have access to technology in order to continue their education. Chromebooks are affordable, easy to use, and allow students to access a variety of online learning resources and tools. By providing Chromebooks to all students, Bradley Beach Elementary School has been able to ensure that all students have the necessary technology to participate in remote learning and continue their education when this is has been necessary. This has been especially important for students who may not have had access to technology at home. The ability to provide every student with a Chromebook has helped to level the playing field and ensure that all students have the opportunity to succeed.

#### Building Professionalism

The Bradley Beach School District has worked throughout the past number of years to implement the vision of the last five-year strategic plan. The strategic plan has allowed for school employees and members of the community to give specific recommendations for the school budget. The district will invest in developing our current character education, development of phonics curriculum, the implementation of the new math program, professional development, and additional technology from these recommendations. Importantly, staff members will be heavily involved in the development of the next five-year strategic plan.

#### Protecting Our Investment (Capital & Maintenance Projects/Capital Reserve)

Once again, the Bradley Beach Elementary School understands that the process of budgeting is not a year to year event, but rather an establishment of a budget for a school year which fits into the framework of the immediate and extended future. One aspect of this is capital and maintenance projects to help maintain the building to avoid deterioration which can result in high cost solutions. Additionally, capital and maintenance projects can help protect our most important investment, our students. The current budget calls for the continued restoration of the hallways as well as the restoration of the hardwood floors in multiple classrooms. The Board will continue to try and budget for deposits into their capital and maintenance reserve accounts either during the creation of the budget or at the end of the school year.

## **INTERNAL ACCOUNTING CONTROLS**

Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

As a recipient of federal and state financial assistance, the district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluations by the district management.

As part of the School District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

## **BUDGETARY CONTROLS**

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

## **ACCOUNTING SYSTEM AND REPORTS**

The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The School District's accounting system is organized on the basis of funds. The funds are explained in "Notes to Financial Statements", Note 1.

## **FINANCIAL POLICIES**

The intent of the School Board is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become

measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual

## **OTHER INFORMATION**

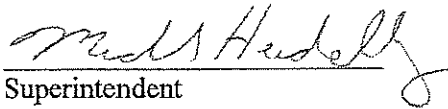
### *INDEPENDENT AUDIT*

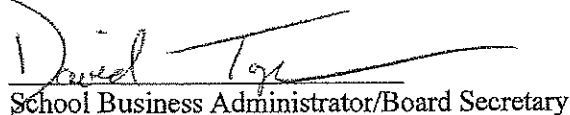
State statutes require an annual audit by independent certified public accountants. The accounting firm of Holman Frenia Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

## **ACKNOWLEDGEMENTS**

We would like to express our appreciation to the members of the Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have accomplished without the efficient and dedicated services of our business office staff.

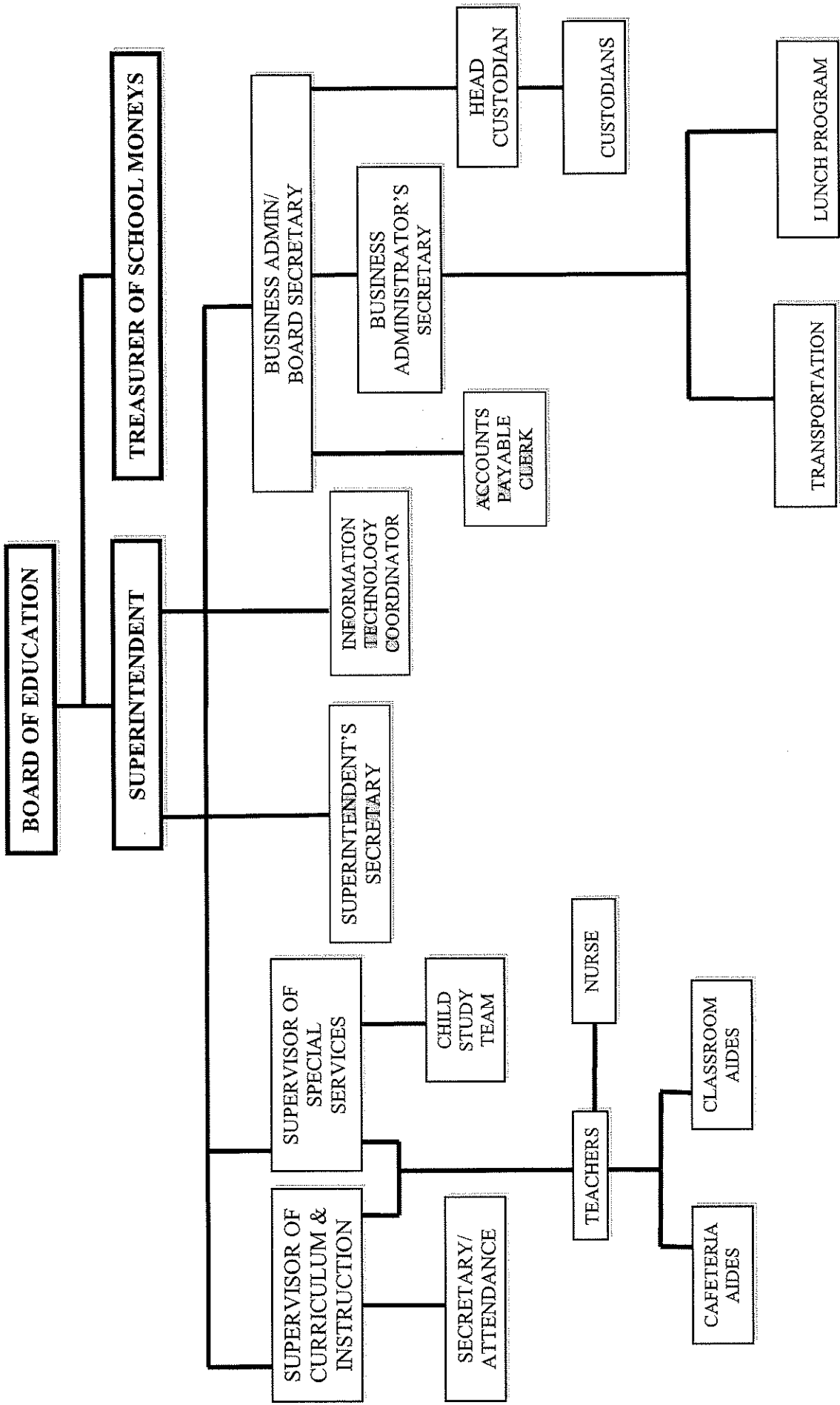
Respectfully submitted,

  
Superintendent

  
School Business Administrator/Board Secretary



**BRADLEY BEACH SCHOOL DISTRICT  
ORGANIZATIONAL CHART**



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**BRADLEY BEACH SCHOOL DISTRICT  
BRADLEY BEACH, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2022**

**Members of the Board of Education**

**TERM EXPIRES**

|                                     |      |
|-------------------------------------|------|
| Elizabeth Franks, Ed. D., President | 2024 |
| Bridget Devane, Vice President      | 2024 |
| Barbara Carlucci                    | 2022 |
| Liza Flynn                          | 2023 |
| Margaret Merenda                    | 2022 |
| Felicia Sacci                       | 2024 |
| Joanne Shu Hofsess                  | 2023 |
| Roseann Caruso Walker               | 2023 |
| April Davis                         | 2022 |

**Other Officials**

Mr. Michael Heidelberg, Principal/Superintendent  
David Tonzola, Business Administrator/Board Secretary  
Bruce Rodman, Treasurer  
Michael Gross, Esq., Board Attorney

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**BRADLEY BEACH SCHOOL DISTRICT  
BRADLEY BEACH, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2022**

**AUDITOR/AUDIT FIRM**

Robert Allison, CPA, PSA  
Holman Frenia Allison, P. C.  
1985 Cedar Bridge Ave.  
Lakewood, New Jersey 08701

**ATTORNEY**

Michael Gross, Esq.  
Kenny, Gross, Kovats, & Parton  
130 Maple Avenue, Building 8  
Red Bank, New Jersey 07701

**ARCHITECT**

Jerry Rubino  
Di Cara Rubino Architects  
30 Galesi Drive, West Wing  
Wayne, New Jersey 07478

**OFFICIAL DEPOSITORY**

Bank Of America  
Main Street and Brinley Avenue  
Bradley Beach, New Jersey, 07720

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**FINANCIAL SECTION**

Second Section

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1985 Cedar Bridge Avenue, Suite 3, Lakewood, NJ 08701 • Tel: 732.797.1333  
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010  
1415 Hooper Avenue, Suite 305, Unit A, Toms River, NJ 08753 • By Appointment Only  
www.hfacpas.com

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Bradley Beach School District  
County of Monmouth  
Bradley Beach, New Jersey

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Bradley Beach School District, County of Monmouth, State of New Jersey, as of and for the fiscal year ended, June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

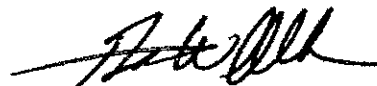
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2023 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Robert W. Allison  
Certified Public Accountant  
Public School Accountant, No. 897

Lakewood, New Jersey  
February 16, 2023

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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**BRADLEY BEACH SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

As management of the Bradley Beach School District (the School District), County of Monmouth, State of New Jersey, we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund.

**Fund Financial Statements**

*Fund financial statements* are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds, proprietary funds and fiduciary funds*.

*Governmental funds* account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

**BRADLEY BEACH SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Overview of the Basic Financial Statements (continued)**

**Fund Financial Statements (continued)**

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains one type of proprietary fund – the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's programs.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Financial Analysis of the School District as a Whole**

Table 1 provides a summary of the School Districts net position for the fiscal years 2022 compared to fiscal year 2021.



**BRADLEY BEACH SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Table 1:**

**Summary of Net Position**  
**June 30, 2022 and 2021**

|                                  | June 30,<br>2022       | June 30,<br>2021       | \$ Increase/<br>(Decrease) | % Percentage<br>Change |
|----------------------------------|------------------------|------------------------|----------------------------|------------------------|
| Current & Other Assets           | \$ 2,063,658.16        | \$ 1,753,970.61        | \$ 309,687.55              | 17.7%                  |
| Capital Assets, Net              | 3,138,847.00           | 3,278,603.00           | (139,756.00)               | (4.3%)                 |
| Total Assets                     | <u>\$ 5,202,505.16</u> | <u>\$ 5,032,573.61</u> | <u>\$ 169,931.55</u>       | 3.4%                   |
| Deferred Outflow of Resources    | <u>\$ 325,045.00</u>   | <u>\$ 349,908.00</u>   | <u>\$ (24,863.00)</u>      | (7.1%)                 |
| Current and other Liabilities    | \$ 586,418.23          | \$ 484,762.44          | \$ 101,655.79              | 21.0%                  |
| Noncurrent Liabilities           | 1,142,551.33           | 1,525,908.07           | (383,356.74)               | (25.1%)                |
| Total Liabilities                | <u>1,728,969.56</u>    | <u>2,010,670.51</u>    | <u>(281,700.95)</u>        | (14.0%)                |
| Deferred Inflow of Resources     | <u>629,383.00</u>      | <u>590,818.00</u>      | <u>38,565.00</u>           | 6.5%                   |
| Net Position:                    |                        |                        |                            |                        |
| Net Investment in Capital Assets | 2,970,847.00           | 2,950,603.00           | 20,244.00                  | 0.7%                   |
| Restricted                       | 1,239,080.38           | 1,015,874.21           | 223,206.17                 | 22.0%                  |
| Unrestricted (Deficit)           | (1,040,729.78)         | (1,185,484.11)         | 144,754.33                 | (12.2%)                |
| Total Net Position               | <u>\$ 3,169,197.60</u> | <u>\$ 2,780,993.10</u> | <u>\$ 388,204.50</u>       | 14.0%                  |

Table 2 shows the changes in net position for fiscal year 2022 compared to fiscal year 2021.

**BRADLEY BEACH SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Table 2:**

**Summary of Changes in Net Position**  
**For the years ended June 30, 2022 and 2021**

|                                        | June 30,<br>2022       | June 30,<br>2021       | \$ Increase/<br>(Decrease) | % Percentage<br>Change |
|----------------------------------------|------------------------|------------------------|----------------------------|------------------------|
| <b>Revenues:</b>                       |                        |                        |                            |                        |
| Program Revenues:                      |                        |                        |                            |                        |
| Charges for Services                   | \$ 8,093.75            | \$ 139.45              | \$ 7,954.30                | 5704.1%                |
| Operating Grants & Contributions       | 3,703,277.70           | 3,018,444.49           | 684,833.21                 | 22.7%                  |
| General Revenues:                      |                        |                        |                            |                        |
| Property Taxes                         | 6,618,486.00           | 6,498,090.00           | 120,396.00                 | 1.9%                   |
| Federal & State Aid                    | 763,263.00             | 880,533.00             | (117,270.00)               | (13.3%)                |
| Other General Revenues                 | 46,671.89              | 42,390.44              | 4,281.45                   | 10.1%                  |
| <b>Total Revenues</b>                  | <b>11,139,792.34</b>   | <b>10,439,597.38</b>   | <b>700,194.96</b>          | <b>6.7%</b>            |
| <b>Function/Program Expenditures:</b>  |                        |                        |                            |                        |
| Regular Instruction                    | 4,864,814.93           | 4,504,579.45           | 360,235.48                 | 8.0%                   |
| Special Education Instruction          | 40,830.88              | 35,907.09              | 4,923.79                   | 13.7%                  |
| Other Instruction                      | 248,289.31             | 222,052.14             | 26,237.17                  | 11.8%                  |
| Tuition                                | 1,900,379.88           | 2,048,399.31           | (148,019.43)               | (7.2%)                 |
| Student & Instruction Related Services | 1,706,900.51           | 1,468,527.71           | 238,372.80                 | 16.2%                  |
| General Administrative                 | 423,540.48             | 397,971.05             | 25,569.43                  | 6.4%                   |
| School Administrative Services         | 18,503.56              | 15,511.20              | 2,992.36                   | 19.3%                  |
| Central Services                       | 301,831.41             | 299,967.79             | 1,863.62                   | 0.6%                   |
| Administrative Info. Technology        | 31,400.45              | 44,338.78              | (12,938.33)                | (29.2%)                |
| Plant Operations & Maintenance         | 818,991.08             | 762,989.53             | 56,001.55                  | 7.3%                   |
| Pupil Transportation                   | 197,134.38             | 168,305.06             | 28,829.32                  | 17.1%                  |
| Transfer to Charter Schools            | 18,590.00              | 12,094.28              | 6,495.72                   | 53.7%                  |
| Interest & Other Charges               | 33,462.00              | 39,482.89              | (6,020.89)                 | (15.2%)                |
| Food Service                           | 146,918.98             | 133,845.76             | 13,073.22                  | 9.8%                   |
| <b>Total Expenditures</b>              | <b>10,751,587.84</b>   | <b>10,153,972.04</b>   | <b>597,615.80</b>          | <b>5.9%</b>            |
| Change In Net Position                 | 388,204.50             | 285,625.34             | 102,579.16                 | 35.9%                  |
| Net Position - Beginning               | 2,780,993.10           | 2,495,367.76           | 285,625.34                 | 11.4%                  |
| <b>Net Position - Ending</b>           | <b>\$ 3,169,197.60</b> | <b>\$ 2,780,993.10</b> | <b>\$ 388,204.50</b>       | <b>14.0%</b>           |

**BRADLEY BEACH SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Government Activities**

During the fiscal year 2022, the net position of governmental activities increased by \$382,457.29 or 13.75%. The primary reason for the increase was due to the excess of revenues over expenditures.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$3,132,807.04, with an unrestricted deficit balance of \$(1,075,449.34). The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last 2 state aid payments. In addition, state statutes prohibit School Districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

The School District's governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

**Table 3:**

**GASB 68 Effect on Unrestricted Net Position**

|                                                |                             |
|------------------------------------------------|-----------------------------|
| Unrestricted Net Position (With GASB 68)       | \$(1,075,449.34)            |
| Add back: PERS Pension Liability               | 911,554.00                  |
| Less: Deferred Outflows related to pensions    | (325,045.00)                |
| Add back: Deferred Inflows related to pensions | <u>629,383.00</u>           |
| Unrestricted Net Position (Without GASB 68)    | <u><u>\$ 140,442.66</u></u> |

**Business-Type Activities**

During the fiscal year 2022, the net position of business-type activities increased by \$5,747.21 or 52.21%.

The assets of the business-type activities exceeded liabilities by \$36,390.56.

**General Fund Budgeting Highlights**

Final budgeted revenues were \$7,223,557.00, which was equal to the original budget. Excluding nonbudgeted revenues, the School District's actual revenues exceeded budgeted revenues by \$20,422.89.

Final budgeted appropriations were \$7,549,918.00. Excluding nonbudgeted expenditures, the School District's budget appropriations exceeded actual expenditures by \$500,197.69.

The School District's general fund balance – budgetary basis (Exhibit C-1) was \$1,598,591.18 at June 30, 2022, an increase of \$210,504.38 from the prior year.

**Government Funds**

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$1,531,152.37, an increase of \$214,344.55 from the prior year.

**BRADLEY BEACH SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

*General fund*

During the current fiscal year, the fund balance of the School District's general fund increased by \$222,645.38 to \$1,528,022.18 at June 30, 2022. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- The factors contributing to the increase in fund balance are that total revenues incurred by the School District exceeded its expenditures by \$222,645.38.

*Special Revenue Fund*

Special Revenue Fund balance was \$3,120.62. Student Activities had a balance of \$35,754.62, and there was an unassigned balance of \$(32,634.00) caused by the last two state aid payments.

*Debt Service Fund*

During the current fiscal year, the fund balance of the School District's debt service fund was \$9.57 at June 30, 2022.

**Proprietary Funds**

*Food Service Fund*

During the current fiscal year, the net position of the School District's food service fund increased by \$5,747.21 to \$36,390.56 at June 30, 2022. The primary factor(s) affecting the change in net position of the food service fund is as follows:

- The factors contributing to the increase in the food service fund were that revenues exceed expenditures in the current year.

The School District's capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$3,138,847.00 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net decrease in the School District's investment in capital assets for the current fiscal year in the amount of \$139,756.00. This decrease is primarily due to the current year depreciation of capital assets. Table 4 shows fiscal 2022 balances compared to 2021.

**Table 4:**

| <b>Capital Asset<br/>(Net of Depreciation):</b> | <b>June 30,<br/>2022</b> | <b>June 30,<br/>2021</b> | <b>\$ Increase/<br/>(Decrease)</b> | <b>% Percentage<br/>Change</b> |
|-------------------------------------------------|--------------------------|--------------------------|------------------------------------|--------------------------------|
| Land                                            | \$ 3,400.00              | \$ 3,400.00              | \$ -                               | 0.0%                           |
| Site and Site Improvements                      | 3,506.00                 | 5,199.00                 | (1,693.00)                         | (32.6%)                        |
| Building and Improvements                       | 3,043,081.00             | 3,175,373.00             | (132,292.00)                       | (4.2%)                         |
| Machinery & Equipment                           | 88,860.00                | 94,631.00                | (5,771.00)                         | (6.1%)                         |
|                                                 | <u>\$ 3,138,847.00</u>   | <u>\$ 3,278,603.00</u>   | <u>\$ (139,756.00)</u>             | <u>(4.3%)</u>                  |

**Debt Administration**

**Long Term Debt**

At the end of the current fiscal year, the School District had total bonded debt outstanding of \$168,000.00, which is a decrease of \$160,000.00 from the prior year.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

**BRADLEY BEACH SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Factors on the School District's Future**

The School District is in excellent financial condition presently. The School District Board of Education practices long-term financial planning. The School District is proud of its system for financial planning, budgeting and internal financial controls.

**Contacting the School District's Financial Management**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board Secretary/School Business Administrator at the Bradley Beach School District Board of Education, 515 Brinley Avenue, Bradley Beach, NJ 07720.

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**BASIC FINANCIAL STATEMENTS**

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A. Government-Wide Financial Statements

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**BRADLEY BEACH SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

| ASSETS                                                            | GOVERNMENTAL<br>ACTIVITIES | BUSINESS-TYPE<br>ACTIVITIES | TOTAL                  |
|-------------------------------------------------------------------|----------------------------|-----------------------------|------------------------|
| Cash & Cash Equivalents                                           | \$ 1,273,300.58            | \$ 29,137.78                | \$ 1,302,438.36        |
| Receivables, Net (Note 4)                                         | 181,376.20                 | 9,027.47                    | 190,403.67             |
| Inventory                                                         | -                          | 8,140.00                    | 8,140.00               |
| Restricted Cash & Cash Equivalents                                | 562,676.13                 | -                           | 562,676.13             |
| Capital Assets, Net (Note 5)                                      |                            |                             |                        |
| Non-Depreciable                                                   | 3,400.00                   | -                           | 3,400.00               |
| Depreciable                                                       | 3,133,776.00               | 1,671.00                    | 3,135,447.00           |
| Total Assets                                                      | <u>5,154,528.91</u>        | <u>47,976.25</u>            | <u>5,202,505.16</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                             |                            |                             |                        |
| Related to Pensions (Note 8)                                      | 325,045.00                 | -                           | 325,045.00             |
| Total Deferred Outflow of Resources                               | <u>325,045.00</u>          | <u>-</u>                    | <u>325,045.00</u>      |
| Total Assets and Deferred Outflows of Resources                   | <u>\$ 5,479,573.91</u>     | <u>\$ 47,976.25</u>         | <u>\$ 5,527,550.16</u> |
| <b>LIABILITIES</b>                                                |                            |                             |                        |
| Accounts Payable                                                  | \$ 254,744.27              | \$ 7,968.49                 | \$ 262,712.76          |
| Due to Other Governments                                          | 88,107.00                  | -                           | 88,107.00              |
| Unearned Revenue                                                  | 1,518.45                   | 3,617.20                    | 5,135.65               |
| Accrued Interest                                                  | 525.00                     | -                           | 525.00                 |
| Payroll Deductions and Withholdings                               | 215,759.07                 | -                           | 215,759.07             |
| Unemployment Compensations                                        | 14,178.75                  | -                           | 14,178.75              |
| Noncurrent Liabilities (Note 7):                                  |                            |                             |                        |
| Due Within One Year                                               | 168,000.00                 | -                           | 168,000.00             |
| Due in More Than One Year                                         | 974,551.33                 | -                           | 974,551.33             |
| Total Liabilities                                                 | <u>1,717,383.87</u>        | <u>11,585.69</u>            | <u>1,728,969.56</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                              |                            |                             |                        |
| Related to Pensions (Note 8)                                      | 629,383.00                 | -                           | 629,383.00             |
| Total Deferred Inflow of Resources                                | <u>629,383.00</u>          | <u>-</u>                    | <u>629,383.00</u>      |
| Total Liabilities and Deferred Inflow Resources                   | <u>2,346,766.87</u>        | <u>11,585.69</u>            | <u>2,358,352.56</u>    |
| <b>NET POSITION</b>                                               |                            |                             |                        |
| Net Investment in Capital Assets                                  | 2,969,176.00               | 1,671.00                    | 2,970,847.00           |
| Restricted for:                                                   |                            |                             |                        |
| Capital Projects (Note 3)                                         | 210,900.00                 | -                           | 210,900.00             |
| Debt Service                                                      | 9.57                       | -                           | 9.57                   |
| Emergency Reserve (Note 3)                                        | 178,500.00                 | -                           | 178,500.00             |
| Maintenance Reserve (Note 3)                                      | 149,100.00                 | -                           | 149,100.00             |
| Unemployment Compensation (Note 3)                                | 24,176.13                  | -                           | 24,176.13              |
| Excess Surplus                                                    | 640,640.06                 | -                           | 640,640.06             |
| Student Activities                                                | 35,754.62                  | -                           | 35,754.62              |
| Unrestricted (Deficit) (Note 18)                                  | <u>(1,075,449.34)</u>      | <u>34,719.56</u>            | <u>(1,040,729.78)</u>  |
| Total Net Position                                                | <u>3,132,807.04</u>        | <u>36,390.56</u>            | <u>3,169,197.60</u>    |
| Total Liabilities, Deferred Inflows of Resources and Net Position | <u>\$ 5,479,573.91</u>     | <u>\$ 47,976.25</u>         | <u>\$ 5,527,550.16</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

BRADLEY BEACH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022

| FUNCTIONS/PROGRAMS:                         | PROGRAM REVENUES |                      |                                  | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION |                         |                          |                   |
|---------------------------------------------|------------------|----------------------|----------------------------------|---------------------------------------------------|-------------------------|--------------------------|-------------------|
|                                             | EXPENSES         | CHARGES FOR SERVICES | OPERATING GRANTS & CONTRIBUTIONS | CAPITAL GRANTS & CONTRIBUTIONS                    | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL             |
| Governmental Activities:                    |                  |                      |                                  |                                                   |                         |                          |                   |
| Instruction:                                |                  |                      |                                  |                                                   |                         |                          |                   |
| Regular Instruction                         | \$ 4,864,814.93  | \$ -                 | \$ 2,114,230.75                  | \$ -                                              | \$ (2,750,584.18)       | \$ -                     | \$ (2,750,584.18) |
| Special Education Instruction               | 40,830.88        | -                    | 26,347.44                        | -                                                 | (14,483.44)             | -                        | (14,483.44)       |
| Other Instruction                           | 248,289.31       | -                    | 52,808.17                        | -                                                 | (195,481.14)            | -                        | (195,481.14)      |
| Support Services:                           |                  |                      |                                  |                                                   |                         |                          |                   |
| Tuition                                     | 1,900,379.88     | -                    | 210,954.20                       | -                                                 | (1,689,425.68)          | -                        | (1,689,425.68)    |
| Student & Instruction Related Services      | 1,706,900.51     | -                    | 831,147.95                       | -                                                 | (875,752.56)            | -                        | (875,752.56)      |
| General Administrative                      | 423,540.48       | -                    | 113,022.80                       | -                                                 | (310,517.68)            | -                        | (310,517.68)      |
| School Administrative Services              | 18,503.56        | -                    | 5,415.78                         | -                                                 | (13,087.78)             | -                        | (13,087.78)       |
| Central Services                            | 301,831.41       | -                    | 84,118.25                        | -                                                 | (217,713.16)            | -                        | (217,713.16)      |
| Administrative Info. Technology             | 31,400.45        | -                    | 2,722.29                         | -                                                 | (28,678.16)             | -                        | (28,678.16)       |
| Plant Operations & Maintenance              | 818,991.08       | -                    | 82,211.70                        | -                                                 | (736,779.38)            | -                        | (736,779.38)      |
| Pupil Transportation                        | 197,134.38       | -                    | 19,481.14                        | -                                                 | (177,653.24)            | -                        | (177,653.24)      |
| Transfer to Charter Schools                 | 18,590.00        | -                    | -                                | -                                                 | (18,590.00)             | -                        | (18,590.00)       |
| Interest & Other Charges                    | 33,462.00        | -                    | -                                | -                                                 | (33,462.00)             | -                        | (33,462.00)       |
| Total Governmental Activities               | 10,604,668.86    | -                    | 3,542,460.46                     | -                                                 | (7,062,208.40)          | -                        | (7,062,208.40)    |
| Business-Type Activities:                   |                  |                      |                                  |                                                   |                         |                          |                   |
| Food Service                                | 146,918.98       | 8,093.75             | 160,817.24                       | -                                                 | -                       | 21,992.01                | 21,992.01         |
| Total Business-Type Activities              | 146,918.98       | 8,093.75             | 160,817.24                       | -                                                 | -                       | 21,992.01                | 21,992.01         |
| Total Primary Government                    | \$ 10,751,587.84 | \$ 8,093.75          | \$ 3,703,277.70                  | \$ -                                              | \$ (7,062,208.40)       | \$ 21,992.01             | \$ (7,040,216.39) |
| General Revenues:                           |                  |                      |                                  |                                                   |                         |                          |                   |
| Taxes:                                      |                  |                      |                                  |                                                   |                         |                          |                   |
| Property Taxes, Levied for General Purposes |                  |                      |                                  |                                                   | 6,446,186.00            | -                        | 6,446,186.00      |
| Property Taxes, Levied for Debt Service     |                  |                      |                                  |                                                   | 172,300.00              | -                        | 172,300.00        |
| Federal & State Aid Not Restricted          |                  |                      |                                  |                                                   | 763,263.00              | -                        | 763,263.00        |
| Tuition Charges                             |                  |                      |                                  |                                                   | 22,086.65               | -                        | 22,086.65         |
| Miscellaneous                               |                  |                      |                                  |                                                   | 24,585.24               | -                        | 24,585.24         |
| Special Item:                               |                  |                      |                                  |                                                   |                         |                          |                   |
| Transfer to/from Other Funds                |                  |                      |                                  |                                                   | 16,244.80               | (16,244.80)              | -                 |
| Total General Revenues                      |                  |                      |                                  |                                                   | 7,444,665.69            | (16,244.80)              | 7,428,420.89      |
| Change In Net Position                      |                  |                      |                                  |                                                   | 382,457.29              | 5,747.21                 | 388,204.50        |
| Net Position - Beginning                    |                  |                      |                                  |                                                   | 2,750,349.75            | 30,643.35                | 2,780,993.10      |
| Net Position - Ending                       |                  |                      |                                  |                                                   | \$ 3,132,807.04         | \$ 36,390.56             | \$ 3,169,197.60   |

The accompanying Notes to Financial Statements are an integral part of this statement.

**B. Fund Financial Statements**

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**Governmental Funds**

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**BRADLEY BEACH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2022**

|                                                  | MAJOR FUNDS            |                            |                         | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|--------------------------------------------------|------------------------|----------------------------|-------------------------|--------------------------------|
|                                                  | GENERAL<br>FUND        | SPECIAL<br>REVENUE<br>FUND | DEBT<br>SERVICE<br>FUND |                                |
| <b>ASSETS</b>                                    |                        |                            |                         |                                |
| Cash & Cash Equivalents                          | \$ 1,271,413.01        | \$ 1,878.00                | \$ 9.57                 | \$ 1,273,300.58                |
| Receivables, Net:                                |                        |                            |                         |                                |
| Due from Other Governments:                      |                        |                            |                         |                                |
| Federal                                          | -                      | 147,207.88                 | -                       | 147,207.88                     |
| State                                            | 34,168.32              | -                          | -                       | 34,168.32                      |
| Restricted Cash & Cash Equivalents               | 562,676.13             | -                          | -                       | 562,676.13                     |
| <b>Total Assets</b>                              | <b>\$ 1,868,257.46</b> | <b>\$ 149,085.88</b>       | <b>\$ 9.57</b>          | <b>\$ 2,017,352.91</b>         |
| <b>LIABILITIES &amp; FUND BALANCES</b>           |                        |                            |                         |                                |
| Liabilities:                                     |                        |                            |                         |                                |
| Accounts Payable                                 | \$ 110,297.46          | \$ 144,446.81              | \$ -                    | \$ 254,744.27                  |
| Payroll Deductions and Withholdings Payable      | 215,759.07             | -                          | -                       | 215,759.07                     |
| Unemployment Compensation                        | 14,178.75              | -                          | -                       | 14,178.75                      |
| Unearned Revenue                                 | -                      | 1,518.45                   | -                       | 1,518.45                       |
| <b>Total Liabilities</b>                         | <b>340,235.28</b>      | <b>145,965.26</b>          | <b>-</b>                | <b>486,200.54</b>              |
| Fund Balances:                                   |                        |                            |                         |                                |
| Restricted for:                                  |                        |                            |                         |                                |
| Capital Reserve                                  | 210,900.00             | -                          | -                       | 210,900.00                     |
| Maintenance Reserve                              | 149,100.00             | -                          | -                       | 149,100.00                     |
| Emergency Reserve                                | 178,500.00             | -                          | -                       | 178,500.00                     |
| Excess Surplus                                   | 346,564.35             | -                          | -                       | 346,564.35                     |
| Excess Surplus Designated<br>for Subsequent Year | 294,075.71             | -                          | -                       | 294,075.71                     |
| Unemployment Compensation                        | 24,176.13              | -                          | -                       | 24,176.13                      |
| Debt Service                                     | -                      | -                          | 9.57                    | 9.57                           |
| Student Activities                               | -                      | 35,754.62                  | -                       | 35,754.62                      |
| Assigned to:                                     |                        |                            |                         |                                |
| Designated for                                   |                        |                            |                         |                                |
| Subsequent Year                                  | 76,009.00              | -                          | -                       | 76,009.00                      |
| Other Purposes                                   | 33,526.18              | -                          | -                       | 33,526.18                      |
| Unassigned                                       | 215,170.81             | (32,634.00)                | -                       | 182,536.81                     |
| <b>Total Fund Balances</b>                       | <b>1,528,022.18</b>    | <b>3,120.62</b>            | <b>9.57</b>             | <b>1,531,152.37</b>            |
| <b>Total Liabilities &amp; Fund Balances</b>     | <b>\$ 1,868,257.46</b> | <b>\$ 149,085.88</b>       | <b>\$ 9.57</b>          |                                |

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

|                                                                                                                                                                                                                                                               |                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$6,944,498.00 and the accumulated depreciation is \$3,807,322.00.                                          | \$ 3,137,176.00        |
| Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.                                                      |                        |
| Deferred Outflows Related to Pensions                                                                                                                                                                                                                         | 325,045.00             |
| Deferred Inflows Related to Pensions                                                                                                                                                                                                                          | (629,383.00)           |
| Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.                                                                                                                    | (525.00)               |
| Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position. | (88,107.00)            |
| Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.                                                                           | (1,142,551.33)         |
| <b>Net Position of Governmental Activities</b>                                                                                                                                                                                                                | <b>\$ 3,132,807.04</b> |

The accompanying Notes to Financial Statements are an integral part of this statement.

**BRADLEY BEACH SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2022**

|                                                          | MAJOR FUNDS     |                            |                         | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|----------------------------------------------------------|-----------------|----------------------------|-------------------------|--------------------------------|
|                                                          | GENERAL<br>FUND | SPECIAL<br>REVENUE<br>FUND | DEBT<br>SERVICE<br>FUND |                                |
| Revenues:                                                |                 |                            |                         |                                |
| Local Sources:                                           |                 |                            |                         |                                |
| Local Tax Levy                                           | \$ 6,446,186.00 | \$ -                       | \$ 172,300.00           | \$ 6,618,486.00                |
| Tuition Charges                                          | 22,086.65       | -                          | -                       | 22,086.65                      |
| Miscellaneous                                            | 24,585.24       | 29,420.04                  | -                       | 54,005.28                      |
| Total Local Sources                                      | 6,492,857.89    | 29,420.04                  | 172,300.00              | 6,694,577.93                   |
| State Sources                                            | 2,292,916.49    | 333,355.00                 | -                       | 2,626,271.49                   |
| Federal Sources                                          | -               | 691,955.93                 | -                       | 691,955.93                     |
| Total Revenues                                           | 8,785,774.38    | 1,054,730.97               | 172,300.00              | 10,012,805.35                  |
| Expenditures:                                            |                 |                            |                         |                                |
| Instruction:                                             |                 |                            |                         |                                |
| Regular Instruction                                      | 2,707,698.57    | 592,076.33                 | -                       | 3,299,774.90                   |
| Other Instruction                                        | 189,160.26      | -                          | -                       | 189,160.26                     |
| Support Services:                                        |                 |                            |                         |                                |
| Tuition                                                  | 1,727,388.26    | -                          | -                       | 1,727,388.26                   |
| Attendance & Social Work Services                        | 76,896.72       | -                          | -                       | 76,896.72                      |
| Health Services                                          | 113,744.71      | -                          | -                       | 113,744.71                     |
| Student & Instruction Related Services                   | 655,583.96      | 460,217.47                 | -                       | 1,115,801.43                   |
| General Administrative                                   | 265,921.30      | -                          | -                       | 265,921.30                     |
| School Administrative Services                           | 10,685.84       | -                          | -                       | 10,685.84                      |
| Central Services                                         | 190,787.46      | -                          | -                       | 190,787.46                     |
| Administrative Information Technology                    | 22,291.36       | -                          | -                       | 22,291.36                      |
| Plant Operations & Maintenance                           | 673,186.51      | -                          | -                       | 673,186.51                     |
| Pupil Transportation                                     | 159,520.35      | -                          | -                       | 159,520.35                     |
| Unallocated Benefits                                     | 214,253.01      | -                          | -                       | 214,253.01                     |
| On Behalf TPAF Pension and Social Security Contributions | 1,529,653.49    | -                          | -                       | 1,529,653.49                   |
| Transfer to Charter Schools                              | 18,590.00       | -                          | -                       | 18,590.00                      |
| Capital Outlay                                           | 2,350.00        | 10,738.00                  | -                       | 13,088.00                      |
| Debt Service:                                            |                 |                            |                         |                                |
| Principal                                                | -               | -                          | 160,000.00              | 160,000.00                     |
| Interest & Other Charges                                 | 21,662.00       | -                          | 12,300.00               | 33,962.00                      |
| Total Expenditures                                       | 8,579,373.80    | 1,063,031.80               | 172,300.00              | 9,814,705.60                   |
| Excess/(Deficiency) of Revenues<br>Over Expenditures     | 206,400.58      | (8,300.83)                 | -                       | 198,099.75                     |
| Other Financing Sources (Uses):                          |                 |                            |                         |                                |
| Transfers In                                             | 16,244.80       | -                          | -                       | 16,244.80                      |
| Total Other Financing Sources (Uses)                     | 16,244.80       | -                          | -                       | 16,244.80                      |
| Net Changes in Fund Balances                             | 222,645.38      | (8,300.83)                 | -                       | 214,344.55                     |
| Fund Balance, July 1                                     | 1,305,376.80    | 11,421.45                  | 9.57                    | 1,316,807.82                   |
| Fund Balance, June 30                                    | \$ 1,528,022.18 | \$ 3,120.62                | \$ 9.57                 | \$ 1,531,152.37                |

The accompanying Notes to Financial Statements are an integral part of this statement.

**BRADLEY BEACH SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ 214,344.55

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which depreciation exceeded capital outlays in the period.

|                      |                 |              |
|----------------------|-----------------|--------------|
|                      | \$ (152,297.00) |              |
| Depreciation Expense | 13,088.00       |              |
| Capital Outlays      |                 | (139,209.00) |

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.

172,412.00

Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

160,000.00

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).

500.00

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(25,590.26)

Change in Net Position of Governmental Activities

\$ 382,457.29

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**Proprietary Funds**

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**BRADLEY BEACH SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2022**

|                                  | <b>MAJOR FUNDS</b>                                             |               |
|----------------------------------|----------------------------------------------------------------|---------------|
|                                  | <b>BUSINESS-TYPE<br/>ACTIVITIES -<br/>ENTERPRISE<br/>FUNDS</b> |               |
|                                  | <b>FOOD<br/>SERVICE</b>                                        | <b>TOTALS</b> |
| <b>ASSETS</b>                    |                                                                |               |
| Current Assets:                  |                                                                |               |
| Cash & Cash Equivalents          | \$ 29,137.78                                                   | \$ 29,137.78  |
| Accounts Receivable:             |                                                                |               |
| Federal                          | 8,834.58                                                       | 8,834.58      |
| State                            | 192.89                                                         | 192.89        |
| Inventories                      | 8,140.00                                                       | 8,140.00      |
|                                  | 46,305.25                                                      | 46,305.25     |
| Total Current Assets             |                                                                |               |
| Noncurrent Assets:               |                                                                |               |
| Capital Assets                   | 36,677.00                                                      | 36,677.00     |
| Less: Accumulated Depreciation   | (35,006.00)                                                    | (35,006.00)   |
|                                  | 1,671.00                                                       | 1,671.00      |
| Total Capital Assets, Net        |                                                                |               |
| Total Noncurrent Assets          | 1,671.00                                                       | 1,671.00      |
| Total Assets                     | 47,976.25                                                      | 47,976.25     |
| <b>LIABILITIES</b>               |                                                                |               |
| Current Liabilities:             |                                                                |               |
| Accounts Payable                 | 7,968.49                                                       | 7,968.49      |
| Unearned Revenue                 | 3,617.20                                                       | 3,617.20      |
|                                  | 11,585.69                                                      | 11,585.69     |
| Total Current Liabilities        |                                                                |               |
| <b>NET POSITION</b>              |                                                                |               |
| Net Investment in Capital Assets | 1,671.00                                                       | 1,671.00      |
| Unrestricted                     | 34,719.56                                                      | 34,719.56     |
|                                  | \$ 36,390.56                                                   | \$ 36,390.56  |
| Total Net Position               |                                                                |               |

The accompanying Notes to Financial Statements are an integral part of this statement.

**BRADLEY BEACH SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 YEAR ENDED JUNE 30, 2022**

|                                                  | <b>MAJOR FUNDS</b>                                             |               |
|--------------------------------------------------|----------------------------------------------------------------|---------------|
|                                                  | <b>BUSINESS-TYPE<br/>ACTIVITIES -<br/>ENTERPRISE<br/>FUNDS</b> |               |
|                                                  | <b>FOOD<br/>SERVICE</b>                                        | <b>TOTALS</b> |
| Operating Revenues:                              |                                                                |               |
| Charges for Services:                            |                                                                |               |
| Daily Sales - Non-Reimbursable Programs          | \$ 8,093.75                                                    | \$ 8,093.75   |
| Total Operating Revenues                         | 8,093.75                                                       | 8,093.75      |
| Operating Expenses:                              |                                                                |               |
| Depreciation                                     | 547.00                                                         | 547.00        |
| Other Purchased Services                         | 146,371.98                                                     | 146,371.98    |
| Total Operating Expenses                         | 146,918.98                                                     | 146,918.98    |
| Operating Income/(Loss)                          | (138,825.23)                                                   | (138,825.23)  |
| Nonoperating Revenues (Expenses):                |                                                                |               |
| State Sources:                                   |                                                                |               |
| State School Lunch Program                       | 2,735.69                                                       | 2,735.69      |
| Federal Sources:                                 |                                                                |               |
| National School Lunch Program                    | 116,423.58                                                     | 116,423.58    |
| National School Breakfast Program                | 5,613.25                                                       | 5,613.25      |
| Emergency Operational Cost Reimbursement Program | 16,244.80                                                      | 16,244.80     |
| P-EBT Administrative Cost Program                | 1,242.00                                                       | 1,242.00      |
| Food Distribution Program                        | 18,557.92                                                      | 18,557.92     |
| Total Nonoperating Revenues/(Expenses)           | 160,817.24                                                     | 160,817.24    |
| Income/(Loss) Before Transfers                   | 21,992.01                                                      | 21,992.01     |
| Transfers Out                                    | (16,244.80)                                                    | (16,244.80)   |
| Change in Net Position                           | 5,747.21                                                       | 5,747.21      |
| Total Net Position - Beginning                   | 30,643.35                                                      | 30,643.35     |
| Total Net Position - Ending                      | \$ 36,390.56                                                   | \$ 36,390.56  |

The accompanying Notes to Financial Statements are an integral part of this statement.



**BRADLEY BEACH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2022**

|                                                                                               | <b>MAJOR FUNDS</b>                                             |                 |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------|
|                                                                                               | <b>BUSINESS-TYPE<br/>ACTIVITIES -<br/>ENTERPRISE<br/>FUNDS</b> |                 |
|                                                                                               | <b>FOOD<br/>SERVICE</b>                                        | <b>TOTALS</b>   |
| Cash Flows From Operating Activities:                                                         |                                                                |                 |
| Receipts from Customers                                                                       | \$ 7,957.82                                                    | \$ 7,957.82     |
| Payments to Suppliers                                                                         | (128,910.59)                                                   | (128,910.59)    |
| Net Cash Flows from Operating Activities                                                      | (120,952.77)                                                   | (120,952.77)    |
| Cash Flows From Noncapital Financing Activities:                                              |                                                                |                 |
| State Sources                                                                                 | 2,735.69                                                       | 2,735.69        |
| Federal Sources                                                                               | 123,278.83                                                     | 123,278.83      |
| Net Cash Flows from Noncapital Financing Activities                                           | 126,014.52                                                     | 126,014.52      |
| Net Increase/(Decrease) in Cash & Cash Equivalents                                            | 5,061.75                                                       | 5,061.75        |
| Balances - Beginning of Year                                                                  | 24,076.03                                                      | 24,076.03       |
| Balances - End of Year                                                                        | \$ 29,137.78                                                   | \$ 29,137.78    |
| <b>Reconciliation of Operating Income/(Loss) to Net Cash Flows from Operating Activities:</b> |                                                                |                 |
| Operating Income/(Loss)                                                                       | \$ (138,825.23)                                                | \$ (138,825.23) |
| Adjustments to Reconcile Operating Income/(Loss) to Net Cash Flows from Operating Activities: |                                                                |                 |
| Depreciation                                                                                  | 547.00                                                         | 547.00          |
| Food Distribution Program                                                                     | 18,557.92                                                      | 18,557.92       |
| (Increase)/Decrease in Accounts Receivable, Net                                               | 612.55                                                         | 612.55          |
| (Increase)/Decrease in Inventories                                                            | 573.03                                                         | 573.03          |
| Increase/(Decrease) in Unearned Revenue                                                       | (748.48)                                                       | (748.48)        |
| Increase/(Decrease) in Accounts Payable                                                       | (1,669.56)                                                     | (1,669.56)      |
| Total Adjustments                                                                             | 17,872.46                                                      | 17,872.46       |
| Net Cash Flows from Operating Activities                                                      | \$ (120,952.77)                                                | \$ (120,952.77) |

The accompanying Notes to Financial Statements are an integral part of this statement.

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**Fiduciary Fund**  
*Not Applicable*

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**BRADLEY BEACH SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

The financial statements of the Bradley Beach School District (hereafter referred to as the School District) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

**Reporting Entity**

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the Board). The Board is comprised of nine members appointed to three-year terms. The purpose of the School District is to educate students in grades PreK through 8. The School District has an approximate enrollment at June 30, 2022 of 235 students.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards* , is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name);
- ◆ the School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization's board;
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District;
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Component Units**

GASB Statement No.14, *The Financial Reporting Entity* , provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* , and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34* , GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84* . The School District had no component units as of for the year ended June 30, 2022.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Basis of Accounting, Measurement Focus and Financial Statement Presentation**

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**A. Government-Wide Financial Statements**

The School District's Government Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

**B. Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.



**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

The School District reports the following major governmental funds:

**General Fund** – The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey Department of Education (NJDOE) the School District includes budgeted capital outlay in this fund. GAAP as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

**Special Revenue Fund** – The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

**Debt Service Fund** – The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

**C. Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

**Food Service Fund** – The food service fund accounts for the financial transactions related to the food service operations of the School District.

**D. Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Net Position. The School District's fiduciary funds include Agency and Private-Purpose Trust Funds. Private Purpose Trust and Agency Funds are used to account for and report assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, and other governments. Private Purpose Trust and Agency Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

The School District has no fiduciary funds.

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with *P.L.2011 c.202*, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C. 6A:23-2-2(f)1*. Transfers of appropriations may be made by Board resolution at any time during the fiscal year in accordance with *N.J.A.C. 6A:23-2-11*.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and GAAP with the exception of the legally mandated revenue recognition of the one or more June state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Encumbrances**

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as assigned fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year-end.

**Cash, Cash Equivalents and Investments**

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are considered cash equivalents and stated at cost.

Investments are stated at fair value in accordance with GASB. New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.18A:20-37* provides a list of permissible investments that may be purchased by New Jersey School Districts.

*N.J.S.A.17:9-41 et. Seq.* establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

**Tuition Receivable/Payable**

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

**Inventories**

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Interfund Receivables/Payables**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

**Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

| <b>Description:</b>       | <b>Governmental<br/>Activities<br/>Estimated Lives</b> | <b>Business-Type<br/>Activities<br/>Estimated Lives</b> |
|---------------------------|--------------------------------------------------------|---------------------------------------------------------|
| Land Improvements         | 10-20 Years                                            | N/A                                                     |
| Building and Improvements | 10-50 Years                                            | N/A                                                     |
| Machinery and Equipment   | 5-20 Years                                             | 5-12 Years                                              |

**Compensated Absences**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

**Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

**Accounting Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

**Deferred Outflows and Deferred Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Deferred Loss on Refunding Debt**

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

**Bond Premiums, Discounts and Issuance Costs**

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Fund Balance**

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

**Non-spendable** – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

**Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

**Assigned** – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the business administrator through the budgetary process.

**Unassigned** – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

**Net Position**

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

**Net Investment in Capital Assets** – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

**Restricted** – This component of net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**Unrestricted** – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and February 16, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. See Note 20 for additional information.



**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Impact of Recently Issued Accounting Pronouncements**

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2022:

Statement No. 87, *Leases*. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about government's leasing activities.

Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. Requirements of this pronouncement related to section 1, paragraph 4 are effective immediately. All other requirements will be effective for reporting periods beginning June 15, 2021. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Statement No. 98, *The Annual Comprehensive Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

Management has determined the implementation of these statements did not have a significant impact on the District's financial statements.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 99, *Omnibus 2022*. The requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITA are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Statement No. 100, *Accounting Changes and Error Corrections- an amendment of GASB Statement No. 62*. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. The effective date is for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 101, *Compensated Absences*. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Management has not yet dermined the potential impact on the District's financial statements.

**Note 2. Deposits and Investments**

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 and seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by Federal Deposit Insurance Corporation (FDIC). Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2022, the School District’s bank balance of \$2,267,082.32 was exposed to custodial credit risk as follows:

|                                |                 |
|--------------------------------|-----------------|
| Insured under FDIC and GUDPA   | \$ 1,967,338.42 |
| Uninsured and Uncollateralized | 299,743.90      |
| Total                          | \$ 2,267,082.32 |

Investments

The School District had no investments at June 30, 2022.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 3. Reserve Accounts**

*Capital Reserve*

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

|                                 |    |            |
|---------------------------------|----|------------|
| Beginning Balance, July 1, 2021 | \$ | 170,000.00 |
| Increased by:                   |    |            |
| Interest Earnings               |    | 1,000.00   |
| Deposits Approved by the Board  |    | 39,900.00  |
| Ending Balance, June 30, 2022   | \$ | 210,900.00 |

*Emergency Reserve*

An emergency reserve account was established for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve account is used to accumulate funds in accordance with *N.J.S.A. 18A:7F-41c(1)* to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1 percent of the general fund budget not to exceed \$1 million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30.

Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent.

The activity of the emergency reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

|                                 |    |            |
|---------------------------------|----|------------|
| Beginning Balance, July 1, 2021 | \$ | 178,400.00 |
| Increased by:                   |    |            |
| Interest Earnings               |    | 100.00     |
| Ending Balance, June 30, 2022   | \$ | 178,500.00 |

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 3. Reserve Accounts (Continued)**

*Maintenance Reserve*

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the School District's facilities for the current year.

The activity of the maintenance reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

|                                 |    |            |
|---------------------------------|----|------------|
| Beginning Balance, July 1, 2021 | \$ | 100,000.00 |
| Increased by:                   |    |            |
| Interest Earnings               |    | 100.00     |
| Deposits Approved by the Board  |    | 49,000.00  |
|                                 |    | 49,000.00  |
| Ending Balance, June 30, 2022   | \$ | 149,100.00 |

*Unemployment Claim Reserve*

Unemployment Claim Reserve funds are restricted pursuant to N.J.S.A. 43:21-7.3(g), which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

The activity of the unemployment reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

|                                         |    |           |
|-----------------------------------------|----|-----------|
| Balance, July 1, 2021 and June 30, 2022 | \$ | 24,176.13 |
|-----------------------------------------|----|-----------|

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2022 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2022, consisted of the following:

| Description:   | Governmental Funds   |                            | Total<br>Governmental<br>Activities  |
|----------------|----------------------|----------------------------|--------------------------------------|
|                | General<br>Fund      | Special<br>Revenue<br>Fund |                                      |
| Federal Awards | \$ -                 | \$ 147,207.88              | \$ 147,207.88                        |
| State Awards   | 34,168.32            | -                          | 34,168.32                            |
| Total          | \$ 34,168.32         | \$ 147,207.88              | \$ 181,376.20                        |
| Description:   | Proprietary Funds    |                            | Total<br>Business-Type<br>Activities |
|                | Food Service<br>Fund |                            |                                      |
| Federal Awards | \$ 8,834.58          | \$ 8,834.58                | 8,834.58                             |
| State Awards   | 192.89               | 192.89                     | 192.89                               |
| Total          | \$ 9,027.47          | \$ 9,027.47                | 9,027.47                             |

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2022 was as follows:

|                                                    | Governmental Activities    |                 |                                | Balance<br>June 30,<br>2022 |
|----------------------------------------------------|----------------------------|-----------------|--------------------------------|-----------------------------|
|                                                    | Balance<br>July 1,<br>2021 | Additions       | Retirements<br>and Adjustments |                             |
| <b>Governmental Activities:</b>                    |                            |                 |                                |                             |
| Capital assets not being depreciated:              |                            |                 |                                |                             |
| Land                                               | \$ 3,400.00                | \$ -            | \$ -                           | \$ 3,400.00                 |
| Total Capital Assets not being depreciated         | 3,400.00                   | -               | -                              | 3,400.00                    |
| Capital Assets being depreciated:                  |                            |                 |                                |                             |
| Land Improvements                                  | 164,405.00                 | -               | -                              | 164,405.00                  |
| Building and Improvements                          | 6,153,997.00               | 6,238.00        | -                              | 6,160,235.00                |
| Equipment                                          | 609,608.00                 | 6,850.00        | -                              | 616,458.00                  |
| Total Capital Assets being depreciated             | 6,928,010.00               | 13,088.00       | -                              | 6,941,098.00                |
| Less: Accumulated Depreciation:                    |                            |                 |                                |                             |
| Land Improvements                                  | (159,206.00)               | (1,693.00)      | -                              | (160,899.00)                |
| Building and Improvements                          | (2,978,624.00)             | (138,530.00)    | -                              | (3,117,154.00)              |
| Equipment                                          | (517,195.00)               | (12,074.00)     | -                              | (529,269.00)                |
| Total Accumulated Depreciation                     | (3,655,025.00)             | (152,297.00)    | -                              | (3,807,322.00)              |
| Total Capital Assets being depreciated, net        | 3,272,985.00               | (139,209.00)    | -                              | 3,133,776.00                |
| Total Governmental Activities Capital Assets, net  | \$ 3,276,385.00            | \$ (139,209.00) | \$ -                           | \$ 3,137,176.00             |
| <b>Business-Type Activities</b>                    |                            |                 |                                |                             |
|                                                    | Business-Type Activities   |                 |                                | Balance<br>June 30,<br>2022 |
|                                                    | Balance<br>July 1,<br>2021 | Additions       | Retirements<br>and Adjustments |                             |
| <b>Business-Type Activities:</b>                   |                            |                 |                                |                             |
| Equipment                                          | \$ 36,677.00               | \$ -            | \$ -                           | \$ 36,677.00                |
| Total Capital Assets being depreciated             | 36,677.00                  | -               | -                              | 36,677.00                   |
| Less: Accumulated Depreciation:                    |                            |                 |                                |                             |
| Equipment                                          | (34,459.00)                | (547.00)        | -                              | (35,006.00)                 |
| Total Capital Assets being depreciated, net        | (34,459.00)                | (547.00)        | -                              | (35,006.00)                 |
| Total Business-Type Activities Capital Assets, net | \$ 2,218.00                | \$ (547.00)     | \$ -                           | \$ 1,671.00                 |

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 5. Capital Assets (Continued)**

Depreciation expense was charged to functions/programs of the School District as follows:

**Governmental Activities:**

|                                                      |                      |
|------------------------------------------------------|----------------------|
| Instruction:                                         |                      |
| Regular Instruction                                  | \$ 74,579.84         |
| Special Education Instruction                        | 14,483.44            |
| Other Instruction                                    | 10,478.03            |
| Support Services:                                    |                      |
| Student & Instruction Related Services               | 18,671.61            |
| General Administrative                               | 9,213.97             |
| School Administrative Services                       | 2,528.13             |
| Central Services                                     | 5,437.00             |
| Administrative Info. Technology                      | 1,294.52             |
| Plant Operations & Maintenance                       | 15,610.46            |
| Total Depreciation Expense - Governmental Activities | <u>\$ 152,297.00</u> |

**Note 6. Interfund Receivables, Payables and Transfers**

There are no interfund receivables/payable for the year ended June 30, 2022.

The following is a summary of interfund transfers made during the year:

|                 | <u>Transfers In</u> | <u>Transfers Out</u> |
|-----------------|---------------------|----------------------|
| General Fund    | \$ 16,244.80        | \$ -                 |
| Enterprise Fund | -                   | 16,244.80            |
|                 | <u>\$ 16,244.80</u> | <u>\$ 16,244.80</u>  |

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental and business-type activities:

|                          | <u>Balance</u>         |                     |                      | <u>Balance</u>         | <u>Balance</u>       |
|--------------------------|------------------------|---------------------|----------------------|------------------------|----------------------|
|                          | <u>6/30/2021</u>       | <u>Additions</u>    | <u>Reductions</u>    | <u>6/30/2022</u>       | <u>Due Within</u>    |
|                          |                        |                     |                      |                        | <u>One Year</u>      |
| Governmental Activities: |                        |                     |                      |                        |                      |
| General Obligation Bonds | \$ 328,000.00          | \$ -                | \$ 160,000.00        | \$ 168,000.00          | \$ 168,000.00        |
| Compensated Absences     | 37,407.07              | 25,590.26           | -                    | 62,997.33              | -                    |
| Net Pension Liability    | 1,160,501.00           | -                   | 248,947.00           | 911,554.00             | -                    |
|                          | <u>\$ 1,525,908.07</u> | <u>\$ 25,590.26</u> | <u>\$ 408,947.00</u> | <u>\$ 1,142,551.33</u> | <u>\$ 168,000.00</u> |

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences and the net pension liability are liquidated by the general fund.

**Bonds Payable**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On June 1, 2003, the School District issued \$2,418,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.25% to 3.75% and mature in 2023.

| <u>Fiscal Year Ending</u> |                      |                    |                      |
|---------------------------|----------------------|--------------------|----------------------|
| <u>June 30,</u>           | <u>Principal</u>     | <u>Interest</u>    | <u>Total</u>         |
| 2023                      | \$ 168,000.00        | \$ 6,300.00        | \$ 174,300.00        |
| Total                     | <u>\$ 168,000.00</u> | <u>\$ 6,300.00</u> | <u>\$ 174,300.00</u> |

**Bonds Authorized but not Issued**

As of June 30, 2022, the School District had no bonds authorized but not issued.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans**

**A. Public Employees' Retirement System (PERS)**

**Plan Description** - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

| <u>Tier</u> | <u>Definition</u>                                                                          |
|-------------|--------------------------------------------------------------------------------------------|
| 1           | Members who were enrolled prior to July 1, 2007                                            |
| 2           | Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008 |
| 3           | Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010 |
| 4           | Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011    |
| 5           | Members who were eligible to enroll on or after June 28, 2011                              |

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

**Pension Liability, Pension (Credit)/Expense and Deferred Outflows/Inflows of Resources:**

At June 30, 2022, the School District reported a liability of \$911,554.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The School District's proportion measured as of June 30, 2021, was 0.00769471%, which was an increase of 0.00057829% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension credit of \$(82,299) in the government-wide financial statements. This pension credit was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

|                                                                                                                            | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Differences between Expected<br>and Actual Experience                                                                      | \$ 14,376.00                              | \$ 6,526.00                              |
| Changes of Assumptions                                                                                                     | 4,747.00                                  | 324,519.00                               |
| Net Difference between Projected<br>and Actual Earnings on Pension<br>Plan Investments                                     | -                                         | 240,127.00                               |
| Changes in Proportion and Differences<br>between School District Contributions<br>and Proportionate Share of Contributions | 217,815.00                                | 58,211.00                                |
| School District contributions subsequent<br>to measurement date                                                            | 88,107.00                                 | -                                        |
|                                                                                                                            | \$ 325,045.00                             | \$ 629,383.00                            |

\$88,107 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2021-2022 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension (credit)/expense as follows:



**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

| Year Ending<br>June 30, |           |                     |
|-------------------------|-----------|---------------------|
| 2023                    | \$        | (147,155.00)        |
| 2024                    |           | (97,973.00)         |
| 2025                    |           | (60,264.00)         |
| 2026                    |           | (79,118.00)         |
| 2027                    |           | (7,935.00)          |
|                         | <u>\$</u> | <u>(392,445.00)</u> |

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

|                                                                                                                        | Deferred<br>Outflow of<br>Resources | Deferred<br>Inflow of<br>Resources |
|------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------|
| Differences between Expected and Actual Experience                                                                     |                                     |                                    |
| Year of Pension Plan Deferral:                                                                                         |                                     |                                    |
| June 30, 2015                                                                                                          | 5.72                                | -                                  |
| June 30, 2016                                                                                                          | 5.57                                | -                                  |
| June 30, 2017                                                                                                          | 5.48                                | -                                  |
| June 30, 2018                                                                                                          | 5.63                                | -                                  |
| June 30, 2019                                                                                                          | 5.21                                | -                                  |
| June 30, 2020                                                                                                          | 5.16                                | -                                  |
| June 30, 2021                                                                                                          | 5.13                                | -                                  |
| Changes of Assumptions                                                                                                 |                                     |                                    |
| Year of Pension Plan Deferral:                                                                                         |                                     |                                    |
| June 30, 2014                                                                                                          | 6.44                                | -                                  |
| June 30, 2015                                                                                                          | 5.72                                | -                                  |
| June 30, 2016                                                                                                          | 5.57                                | -                                  |
| June 30, 2017                                                                                                          | -                                   | 5.48                               |
| June 30, 2018                                                                                                          | -                                   | 5.63                               |
| June 30, 2019                                                                                                          | -                                   | 5.21                               |
| June 30, 2020                                                                                                          | -                                   | 5.16                               |
| June 30, 2021                                                                                                          | -                                   | 5.13                               |
| Net Difference between Projected and Actual and Actual Earnings on Pension Plan Investments                            |                                     |                                    |
| Year of Pension Plan Deferral:                                                                                         |                                     |                                    |
| June 30, 2014                                                                                                          | -                                   | 5.00                               |
| June 30, 2015                                                                                                          | -                                   | 5.00                               |
| June 30, 2016                                                                                                          | 5.00                                | -                                  |
| June 30, 2017                                                                                                          | 5.00                                | -                                  |
| June 30, 2018                                                                                                          | 5.00                                | -                                  |
| June 30, 2019                                                                                                          | 5.00                                | -                                  |
| June 30, 2020                                                                                                          | 5.00                                | -                                  |
| June 30, 2021                                                                                                          | 5.00                                | -                                  |
| Changes in Proportion and Differences between School District's Contributions and Proportionate Share of Contributions |                                     |                                    |
| Year of Pension Plan Deferral:                                                                                         |                                     |                                    |
| June 30, 2014                                                                                                          | 6.44                                | 6.44                               |
| June 30, 2015                                                                                                          | 5.72                                | 5.72                               |
| June 30, 2016                                                                                                          | 5.57                                | 5.57                               |
| June 30, 2017                                                                                                          | 5.48                                | 5.48                               |
| June 30, 2018                                                                                                          | 5.63                                | 5.63                               |
| June 30, 2019                                                                                                          | 5.21                                | 5.21                               |
| June 30, 2020                                                                                                          | 5.16                                | 5.16                               |
| June 30, 2021                                                                                                          | 5.13                                | 5.13                               |

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following assumptions:

|                                                   |                                                                                                                                                                   |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inflation Rate                                    |                                                                                                                                                                   |
| Price                                             | 2.75%                                                                                                                                                             |
| Wage                                              | 3.25%                                                                                                                                                             |
| Salary Increases:                                 |                                                                                                                                                                   |
| Through 2026                                      | 2.00% - 6.00% Based on Years of Service                                                                                                                           |
| Thereafter                                        | 3.00% - 7.00% Based on Years of Service                                                                                                                           |
| Investment Rate of Return                         | 7.00%                                                                                                                                                             |
| Mortality Rate of Return:                         |                                                                                                                                                                   |
| PERS                                              | Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 |
| Period of Actuarial Experience                    |                                                                                                                                                                   |
| Study upon which Actuarial Assumptions were Based | July 1, 2014 - June 30, 2018                                                                                                                                      |

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

| <b>Asset Class:</b>               | <b>Target<br/>Allocation</b> | <b>Long-Term<br/>Expected Real<br/>Rate of Return</b> |
|-----------------------------------|------------------------------|-------------------------------------------------------|
| U.S. Equity                       | 27.00%                       | 8.09%                                                 |
| Non-U.S. Developed Markets Equity | 13.50%                       | 8.71%                                                 |
| Emerging Markets Equity           | 5.50%                        | 10.96%                                                |
| Private Equity                    | 13.00%                       | 11.30%                                                |
| Real Assets                       | 3.00%                        | 9.15%                                                 |
| Real Estate                       | 8.00%                        | 7.40%                                                 |
| High Yield                        | 2.00%                        | 3.75%                                                 |
| Private Credit                    | 8.00%                        | 7.60%                                                 |
| Investment Grade Credit           | 8.00%                        | 1.68%                                                 |
| Cash Equivalents                  | 4.00%                        | 0.50%                                                 |
| U.S. Treasuries                   | 5.00%                        | 0.95%                                                 |
| Risk Mitigation Strategies        | 3.00%                        | 3.35%                                                 |
|                                   | 100.00%                      |                                                       |

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2021, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

|                                                                       | <b>At 1%<br/>Decrease<br/>(6.00%)</b> | <b>At Current<br/>Discount Rate<br/>(7.00%)</b> | <b>At 1%<br/>Increase<br/>(8.00%)</b> |
|-----------------------------------------------------------------------|---------------------------------------|-------------------------------------------------|---------------------------------------|
| School District's Proportionate Share<br>of the Net Pension Liability | \$ 1,254,584.00                       | \$ 911,554.00                                   | \$ 638,407.00                         |

**Additional Information** – The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

|                                           | <b>6/30/2022</b>    | <b>6/30/2021</b>    |
|-------------------------------------------|---------------------|---------------------|
| Collective Deferred Outflows of Resources | \$ 1,164,738,169.00 | \$ 2,347,583,337.00 |
| Collective Deferred Inflows of Resources  | 8,339,123,762.00    | 7,849,949,467.00    |
| Collective Net Pension Liability          | 11,972,782,878.00   | 16,435,616,426.00   |
| School District's portion                 | 0.00769%            | 0.00712%            |

**B. Teachers' Pension and Annuity Fund (TPAF)**

**Plan Description** – TPAF is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State, the Division). For additional information about TPAF, please refer to Division's ACFR which can be found at [www.nj.gov/treasury/pensions/financial-reports.shtml](http://www.nj.gov/treasury/pensions/financial-reports.shtml).

The vesting and benefit provisions are set by *N.J.S.A. 18A:66*. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

| <u>Tier</u> | <u>Definition</u>                                                                          |
|-------------|--------------------------------------------------------------------------------------------|
| 1           | Members who were enrolled prior to July 1, 2007                                            |
| 2           | Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008 |
| 3           | Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010 |
| 4           | Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011    |
| 5           | Members who were eligible to enroll on or after June 28, 2011                              |

**BRADLEY BEACH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Contributions** – The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2022 was \$12,120,459.00. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.02521%, which was a decrease of 0.001229% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized a pension expense in the amount of \$738,825 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2021 measurement date.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

Actuarial Assumptions – The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

|                           |                                         |
|---------------------------|-----------------------------------------|
| Inflation Rate            |                                         |
| Price                     | 2.75%                                   |
| Wage                      | 3.25%                                   |
| Salary Increases:         |                                         |
| Through 2026              | 1.55% - 4.45% Based on Years of Service |
| Thereafter                | 2.75% - 5.65% Based on Years of Service |
| Investment Rate of Return | 7.00%                                   |

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**Long-Term Expected Rate of Return** – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and the Division, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

| <b>Asset Class:</b>               | <b>Target<br/>Allocation</b> | <b>Long-Term<br/>Expected Real<br/>Rate of Return</b> |
|-----------------------------------|------------------------------|-------------------------------------------------------|
| U.S. Equity                       | 27.00%                       | 8.09%                                                 |
| Non-U.S. Developed Markets Equity | 13.50%                       | 8.71%                                                 |
| Emerging Markets Equity           | 5.50%                        | 10.96%                                                |
| Private Equity                    | 13.00%                       | 11.30%                                                |
| Real Assets                       | 3.00%                        | 9.15%                                                 |
| Real Estate                       | 8.00%                        | 7.40%                                                 |
| High Yield                        | 2.00%                        | 3.75%                                                 |
| Private Credit                    | 8.00%                        | 7.60%                                                 |
| Investment Grade Credit           | 8.00%                        | 1.68%                                                 |
| Cash Equivalents                  | 4.00%                        | 0.50%                                                 |
| U.S. Treasuries                   | 5.00%                        | 0.95%                                                 |
| Risk Mitigation Strategies        | 3.00%                        | 3.35%                                                 |
|                                   | 100.00%                      |                                                       |

**Discount Rate** – The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.40% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

|                                                                                                | At 1%<br>Decrease<br>(6.00%) | At Current<br>Discount Rate<br>(7.00%) | At 1%<br>Increase<br>(8.00%) |
|------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------|------------------------------|
| State's Proportionate Share of<br>Net Pension Liability Associated<br>with the School District | \$ 14,340,528.00             | \$ 12,120,459.00                       | \$ 10,255,741.00             |

**Pension Plan Fiduciary Net Position** – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TPAF and additions to/deductions from the TPAF’s fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Additional Information** – The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

|                                           | 6/30/2022           | 6/30/2021           |
|-------------------------------------------|---------------------|---------------------|
| Collective Deferred Outflows of Resources | \$ 6,373,530,834.00 | \$ 9,626,548,228.00 |
| Collective Deferred Inflows of Resources  | 27,363,906.00       | 14,591,988,841.00   |
| Collective Net Pension Liability          | 48,165,991,182.00   | 65,993,498,688.00   |
| School District's portion                 | 0.02521%            | 0.02644%            |

**C. Defined Contribution Retirement Plan (DCRP)**

**Plan Description** – DCRP was established July 1, 2007, under the provisions of *N.J.S.A. 43:15C-1 et seq.* The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in PERS or TPAF on or after July 1, 2007, who earn salary in excess of established “maximum compensation” limits;
- Employees enrolled in the Police and Firemen’s Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established “maximum compensation” limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.



**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 8. Pension Plans (Continued)**

**Contributions** – The contribution policy is set by *N.J.S.A. 43:15C-3* and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2022, employee contributions totaled \$38,792.19, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$38,792.19.

**Note 9. Other Post-Retirement Benefits (OPEB)**

**General Information about the OPEB Plan**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14- 17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

**Basis of Presentation**

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 9. Other Post-Retirement Benefits (continued)**

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

|                       |       |                     |                     |                     |
|-----------------------|-------|---------------------|---------------------|---------------------|
| <b>Inflation Rate</b> | 2.50% |                     |                     |                     |
|                       |       | <u>TPAF/ABP</u>     | <u>PERS</u>         | <u>PFRS</u>         |
| Salary Increases:     |       |                     |                     |                     |
| Through 2026          |       | 1.55 - 4.45%        | 2.00 - 6.00%        | 3.25 - 15.25%       |
|                       |       | based service years | based service years | based service years |
| Thereafter            |       | 2.75 - 5.65%        | 3.00 - 7.00%        | Not                 |
|                       |       | based service years | based service years | Applicable          |

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Postretirement mortality rates were based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021 for current disabled retirees. Future disabled retirees were based on Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2021 was \$15,540,320.00 The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.02589723%, which was a decrease of (0.00005551%) from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$958,076.00 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 9. OPEB (continued)**

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend is 5.00%.

**Discount Rate**

The discount rate for June 30, 2021 was 2.16%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:**

The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

|                                                                                                                  | <b>June 30, 2021</b>      |                             |                           |
|------------------------------------------------------------------------------------------------------------------|---------------------------|-----------------------------|---------------------------|
|                                                                                                                  | At 1%<br>Decrease (1.16%) | At Discount<br>Rate (2.16%) | At 1%<br>Increase (3.16%) |
| State of New Jersey's<br>Proportionate Share of Total OPEB<br>Obligations Associated with<br>the School District | \$ 18,614,863.76          | \$ 15,540,320.00            | \$ 13,119,301.35          |
| State of New Jersey's<br>Total Nonemployer OPEB<br>Liability                                                     | \$ 71,879,745,555.00      | \$ 60,007,650,970.00        | \$ 50,659,089,138.00      |

**Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:**

The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current

|                                                                                                                  | <b>June 30, 2021</b> |                                 |                      |
|------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------|----------------------|
|                                                                                                                  | 1% Decrease          | Healthcare Cost<br>Trend Rate * | 1% Increase          |
| State of New Jersey's<br>Proportionate Share of Total OPEB<br>Obligations Associated with<br>the School District | \$ 12,579,926.58     | \$ 15,540,320.00                | \$ 19,515,892.19     |
| State of New Jersey's<br>Total Nonemployer OPEB<br>Liability                                                     | \$ 48,576,338,417.00 | \$ 60,007,650,970.00            | \$ 75,358,991,782.00 |

\* See Healthcare Cost Trend Assumptions for details of rates.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 9. OPEB (continued)**

**Additional Information:**

Collective balances of the Local Group at June 30, 2021 are as follows:

|                                                                                                  |                      |                        |
|--------------------------------------------------------------------------------------------------|----------------------|------------------------|
| Differences between Expected<br>& Actual Experience                                              | \$ 9,045,886,863.00  | \$ (18,009,362,976.00) |
| Changes in Assumption                                                                            | 10,179,536,966.00    | (6,438,261,807.00)     |
| Contributions Made in Fiscal Year<br>Year Ending 2022 After June 30,<br>2021 Measurement Date ** | TBD                  | N/A                    |
|                                                                                                  | \$ 19,225,423,829.00 | \$ (24,447,624,783.00) |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in

| Fiscal Year<br>Ending June 30, |                       |
|--------------------------------|-----------------------|
| 2022                           | \$ (1,182,303,041.00) |
| 2023                           | (1,182,303,041.00)    |
| 2024                           | (1,182,303,041.00)    |
| 2025                           | (1,182,303,041.00)    |
| 2026                           | (840,601,200.00)      |
| Thereafter                     | 347,612,410.00        |
|                                | \$ (5,222,200,954.00) |

\*\* Employer Contributions made after June 30, 2021 are reported as deferred outflow of resources, but are not amortized in expense.

**Plan Membership**

At June 30, 2020, the Program membership consisted of the following:

|                                                                       | June 30, 2020 |
|-----------------------------------------------------------------------|---------------|
| Active Plan Members                                                   | 213,901       |
| Inactive Plan Members or Beneficiarie<br>Currently Receiving Benefits | 150,427       |
| Total Plan Members                                                    | 364,328       |

**Changes in the total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

|                                                     |                      |
|-----------------------------------------------------|----------------------|
| Service Cost                                        | \$ 3,217,184,264.00  |
| Interest Cost                                       | 1,556,661,679.00     |
| Changes of Benefit Terms                            | (63,870,842.00)      |
| Differences Between Expected and Actual Experiences | (11,385,071,658.00)  |
| Changes in Assumptions                              | 59,202,105.00        |
| Contributions: Member                               | 39,796,196.00        |
| Gross Benefit Payments                              | (1,226,213,382.00)   |
| Net Changes in Total OPEB Liability                 | (7,802,311,638.00)   |
| Total OPEB Liability (Beginning)                    | 67,809,962,608.00    |
| Total OPEB Liability (Ending)                       | \$ 60,007,650,970.00 |
| Total Covered Employee Payroll                      | \$ 14,425,669,769.00 |
| Net OPEB Liability as a Percentage of Payroll       | 415.98%              |

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 10. On-Behalf Payments for Fringe Benefits and Salaries**

As previously mentioned, the School District receives on-behalf payments from the State for normal costs and post-retirement medical costs related to the TPAF pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$1,060,854.00, \$220,323.49, \$247,858.00 and \$618.00, respectively.

**Note 11. Risk Management**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**New Jersey Unemployment Compensation Insurance** – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

| Fiscal Year | Contributions | Amount Reimbursed | Ending Balance                       |                              |
|-------------|---------------|-------------------|--------------------------------------|------------------------------|
|             |               |                   | Restricted Unemployment Fund Balance | Unemployment Trust Liability |
| 2022        | \$ 7,556.65   | \$ -              | \$ 24,176.13                         | \$ 14,178.75                 |
| 2021        | 6,995.30      | 373.20            | 24,176.13                            | 6,622.10                     |
| 2020        | 6,824.94      | -                 | 24,176.13                            | -                            |

\*Starting on July 1, 2020 Unemployment is accounted for in the General Fund

As of June 30, 2021 the State provided quarterly bills for the previous four quarters have not been provided in the fiscal year. The District has accrued a liability for estimated unemployment claims.

**Property and Liability Insurance** – The School District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

**Joint Insurance Pool** – The School District also participates in the School Alliance Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

|                                       |                                |
|---------------------------------------|--------------------------------|
| Property - Blanket Building & Grounds | General & Automobile Liability |
| Employers Liability                   | Workers' Compensation          |
| School Board Legal Liability          | Comprehensive Crime Coverage   |
| Environmental Impairment Liability    | Excess Liability               |

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 12. Contingencies**

**State and Federal Grantor Agencies** – The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**Litigation** – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**Economic Dependency** – The School District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the School District’s programs and activities.

**Note 13. Deferred Compensation**

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable

**Note 14. Compensated Absences**

The School District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB 16 Statement No. 16, *Accounting for Compensated Absences*. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with School Districts’ agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2022, the liability for compensated absences reported was \$62,997.33.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 15. Tax Abatements**

As defined by the GASB Statement No. 77, Tax Abatement, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the School District's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the School District.

For a local School District Board or Board of School estimate that has elected to raise their minimum tax levy using the required local share provisions at *N.J.S.A. 18A:7F-5(b)*, the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the NJDOE based upon district property value and wealth.

**Note 16. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey School Districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 was \$346,564.35.

**Note 17. Fund Balances**

**General Fund**

Of the \$1,528,022.18 General Fund balance at June 30, 2022, \$210,900.00 has been restricted for the Capital Reserve Account; \$149,100.00 has been restricted for the Maintenance Reserve Account; \$178,500.00 has been restricted for the Emergency Reserve Account; \$24,176.13 has been restricted for the Unemployment Claims Reserve; \$346,564.35 has been restricted for current year excess surplus; \$294,075.71 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$76,009.00 is assigned designated for subsequent year's expenditures; \$33,526.18 has been assigned to other purposes; and \$215,170.81 has been unassigned.

**Special Revenue Fund**

Of the \$3,120.62 Special Revenue Fund fund balance at June 30, 2022, \$35,754.62 is restricted for Student Activities Fund and \$(32,634.00) is unassigned.

**Debt Service Fund**

Of the \$9.57 Debt Service Fund balance at June 30, 2022, \$9.57 is restricted for future debt service payments.

**Note 18. Deficit in Net Position**

**Unrestricted Net Position**

The School District governmental activities had a deficit in unrestricted net position in the amount of \$1,075,449.34 at June 30, 2022. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for PERS as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**Note 19. Deficit in Fund Balances**

The School District has a deficit fund balance of \$32,634.00 in the Special Revenue Fund as of June 30, 2022 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, New Jersey School Districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for New Jersey School Districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the School District cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the Special Revenue Fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the fund statements (modified accrual basis) of \$32,634.00 is equal to the expended portion of last state aid payment.

**Note 20. Commitments**

The District has contractual commitments at June 30, 2022 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$33,526.18.



**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### **C. Budgetary Comparison Schedules**

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BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

| ACCOUNT NUMBERS                                 | JUNE 30, 2022       |                  |                     |                     | VARIANCE FINAL TO ACTUAL |
|-------------------------------------------------|---------------------|------------------|---------------------|---------------------|--------------------------|
|                                                 | ORIGINAL BUDGET     | BUDGET TRANSFERS | FINAL BUDGET        | ACTUAL              |                          |
| 10-1210                                         | \$ 6,446,186.00     | \$ -             | \$ 6,446,186.00     | \$ 6,446,186.00     | \$ -                     |
| 10-1310                                         | 15,250.00           | -                | 15,250.00           | 22,086.65           | 6,836.65                 |
| 10-1990                                         | 13,550.00           | -                | 13,550.00           | 23,385.24           | 9,835.24                 |
| 10-1993                                         | 100.00              | -                | 100.00              | 100.00              | -                        |
| 10-1994                                         | 100.00              | -                | 100.00              | 100.00              | -                        |
| 10-1995                                         | 1,000.00            | -                | 1,000.00            | 1,000.00            | -                        |
| <b>Total Local Sources</b>                      | <b>6,476,186.00</b> | <b>-</b>         | <b>6,476,186.00</b> | <b>6,492,857.89</b> | <b>16,671.89</b>         |
| State Sources:                                  |                     |                  |                     |                     |                          |
| 10-3121                                         | 85,575.00           | -                | 85,575.00           | 85,575.00           | -                        |
| 10-3132                                         | 221,110.00          | -                | 221,110.00          | 221,110.00          | -                        |
| 10-3177                                         | 134,097.00          | -                | 134,097.00          | 134,097.00          | -                        |
| 10-3178                                         | 286,589.00          | -                | 286,589.00          | 286,589.00          | -                        |
| 10-3190                                         | -                   | -                | -                   | 3,751.00            | 3,751.00                 |
| 10-3256                                         | -                   | 20,000.00        | 20,000.00           | 20,000.00           | -                        |
| Nonbudgeted:                                    |                     |                  |                     |                     |                          |
| TPAF Pension (on-behalf)                        | -                   | -                | -                   | 1,060,854.00        | 1,060,854.00             |
| TPAF Social Security (reimbursed)               | -                   | -                | -                   | 220,323.49          | 220,323.49               |
| TPAF Post Retirements                           | -                   | -                | -                   | 247,858.00          | 247,858.00               |
| TPAF Long-Term Disability Insurance (on behalf) | -                   | -                | -                   | 618.00              | 618.00                   |
| <b>Total State Sources</b>                      | <b>727,371.00</b>   | <b>20,000.00</b> | <b>747,371.00</b>   | <b>2,280,775.49</b> | <b>1,533,404.49</b>      |
| <b>Total Revenues</b>                           | <b>7,203,557.00</b> | <b>20,000.00</b> | <b>7,223,557.00</b> | <b>8,773,633.38</b> | <b>1,550,076.38</b>      |

BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

| ACCOUNT NUMBERS                                                           | JUNE 30, 2022   |                  |              | VARIANCE FINAL TO ACTUAL |
|---------------------------------------------------------------------------|-----------------|------------------|--------------|--------------------------|
|                                                                           | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET |                          |
| 11-105-100-101                                                            | 61,535.00       | (23,143.00)      | 38,392.00    | 35,419.57                |
| 11-110-100-101                                                            | 149,860.00      | 31,643.00        | 181,503.00   | 178,566.99               |
| 11-120-100-101                                                            | 1,045,898.00    | 9,000.00         | 1,054,898.00 | 1,051,705.39             |
| 11-130-100-101                                                            | 854,639.00      | (18,500.00)      | 836,139.00   | 805,749.65               |
| 11-150-100-101                                                            | 1,000.00        | -                | 1,000.00     | -                        |
| 11-190-100-500                                                            | 7,500.00        | (5,255.00)       | 2,245.00     | 618.40                   |
| 11-190-100-610                                                            | 69,126.00       | 14,855.00        | 83,981.00    | 79,372.89                |
| 11-190-100-800                                                            | 47,116.00       | (4,850.00)       | 42,266.00    | 39,984.51                |
| Total Regular Programs - Instruction                                      | 2,236,674.00    | 3,750.00         | 2,240,424.00 | 2,191,417.40             |
| 11-219-100-101                                                            | 1,000.00        | -                | 1,000.00     | -                        |
| Total Home Instruction                                                    | 1,000.00        | -                | 1,000.00     | -                        |
| Total Special Education - Instruction                                     | 1,000.00        | -                | 1,000.00     | -                        |
| 11-240-100-101                                                            | 109,162.00      | (6,000.00)       | 103,162.00   | 59,128.80                |
| 11-240-100-610                                                            | 400.00          | 500.00           | 900.00       | 326.11                   |
| Total Bilingual Education - Instruction                                   | 109,562.00      | (5,500.00)       | 104,062.00   | 59,454.91                |
| 11-401-100-100                                                            | 33,985.00       | 600.00           | 34,585.00    | 34,498.47                |
| 11-401-100-600                                                            | 250.00          | -                | 250.00       | 135.91                   |
| 11-401-100-800                                                            | 8,605.00        | (600.00)         | 8,005.00     | 6,555.00                 |
| Total School-Sponsored Coccular/Extra Curricular Activities - Instruction | 42,840.00       | -                | 42,840.00    | 41,189.38                |

Current Expense:

- Regular Programs - Instruction:
  - Preschool - Salaries of Teachers
  - Kindergarten - Salaries of Teachers
  - Grades 1-5 - Salaries of Teachers
  - Grades 6-8 - Salaries of Teachers
- Regular Programs - Home Instruction:
  - Salaries of Teachers
- Regular Programs - Undistributed Instruction:
  - Other Purchased Services
  - General Supplies
  - Other Objects
- Total Regular Programs - Instruction
- Special Education - Instruction:
  - Home Instruction:
    - Salaries of Teachers
- Total Home Instruction
- Total Special Education - Instruction
- Bilingual Education - Instruction:
  - Salaries of Teachers
  - General Supplies
- Total Bilingual Education - Instruction
- School-Sponsored Coccular/Extra Curricular Activities - Instruction:
  - Salaries
  - Supplies and Materials
  - Other Objects
- Total School-Sponsored Coccular/Extra Curricular Activities - Instruction

BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

| ACCOUNT NUMBERS                                                    | JUNE 30, 2022       |                    |                     | VARIANCE FINAL TO ACTUAL |
|--------------------------------------------------------------------|---------------------|--------------------|---------------------|--------------------------|
|                                                                    | ORIGINAL BUDGET     | BUDGET TRANSFERS   | FINAL BUDGET        |                          |
| School-Sponsored Athletics - Instruction:                          |                     |                    |                     |                          |
| Salaries                                                           | 26,870.00           | -                  | 26,870.00           | -                        |
| Purchased Services                                                 | 15,000.00           | 1,900.00           | 16,900.00           | 10.00                    |
| Supplies and Materials                                             | 3,500.00            | (1,900.00)         | 1,600.00            | 436.66                   |
| <b>Total School-Sponsored Athletics - Instruction</b>              | <b>45,370.00</b>    | <b>-</b>           | <b>45,370.00</b>    | <b>446.66</b>            |
| Before/After School Programs - Instruction:                        |                     |                    |                     |                          |
| Salaries of Teacher Tutors                                         | 8,000.00            | -                  | 8,000.00            | 7,880.00                 |
| <b>Total Before/After School Programs - Instruction</b>            | <b>8,000.00</b>     | <b>-</b>           | <b>8,000.00</b>     | <b>7,880.00</b>          |
| Summer School - Instruction:                                       |                     |                    |                     |                          |
| Salaries of Teachers                                               | 23,535.00           | -                  | 23,535.00           | 1,557.50                 |
| <b>Total Summer School - Instruction</b>                           | <b>23,535.00</b>    | <b>-</b>           | <b>23,535.00</b>    | <b>1,557.50</b>          |
| Undistributed Expenditures - Instruction (Tuition):                |                     |                    |                     |                          |
| Tuition to Other LEAs Within State - Regular                       | 1,448,500.00        | (101,799.00)       | 1,346,701.00        | 90,708.42                |
| Tuition to Other LEAs Within State - Special                       | 262,500.00          | 103,992.00         | 366,492.00          | 6,363.47                 |
| Tuition to County Vocational School - Regular                      | 41,310.00           | 19,263.00          | 60,573.00           | 0.30                     |
| Tuition to County Vocational School - Special                      | 34,750.00           | (2,654.00)         | 32,096.00           | 1.70                     |
| Tuition to Private School Disabled - Within State                  | 159,202.00          | (110,800.00)       | 48,402.00           | 29,801.85                |
| <b>Total Undistributed Expenditures - Instruction (Tuition)</b>    | <b>1,946,262.00</b> | <b>(91,998.00)</b> | <b>1,854,264.00</b> | <b>126,875.74</b>        |
| Undistributed Expenditures Attendance and Social Work:             |                     |                    |                     |                          |
| Salaries                                                           | 49,171.00           | -                  | 49,171.00           | 14,462.16                |
| Salaries of Family Liaisons/Comm Parent Inv. Specialists           | 4,000.00            | (300.00)           | 3,700.00            | 2,896.80                 |
| Supplies and Materials                                             | 500.00              | 300.00             | 800.00              | 112.54                   |
| <b>Total Undistributed Expenditures Attendance and Social Work</b> | <b>53,671.00</b>    | <b>-</b>           | <b>53,671.00</b>    | <b>17,471.50</b>         |
| Undistributed Expenditures - Health Services:                      |                     |                    |                     |                          |
| Salaries                                                           | 77,425.00           | -                  | 77,425.00           | 830.00                   |
| Purchased Professional & Technical Services                        | 5,000.00            | -                  | 5,000.00            | 1,408.15                 |
| Supplies and Materials                                             | 2,500.00            | -                  | 2,500.00            | 1,339.78                 |
| Other Objects                                                      | 100.00              | -                  | 100.00              | 65.00                    |
| <b>Total Undistributed Expenditures - Health Services</b>          | <b>85,025.00</b>    | <b>-</b>           | <b>85,025.00</b>    | <b>3,642.93</b>          |

BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

|                                                                                                          | ACCOUNT NUMBERS | JUNE 30, 2022   |                  |              | VARIANCE FINAL TO ACTUAL |
|----------------------------------------------------------------------------------------------------------|-----------------|-----------------|------------------|--------------|--------------------------|
|                                                                                                          |                 | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET |                          |
| Undistributed Expenditures - Speech, OT, PT and Related Services: Salaries                               | 11-000-216-100  | 60,580.00       | (5,000.00)       | 55,580.00    | 838.00                   |
| Purchased Professional - Educational Services                                                            | 11-000-216-320  | 42,385.00       | 20,000.00        | 62,385.00    | 7,648.75                 |
| Supplies and Materials                                                                                   | 11-000-216-600  | 500.00          | -                | 500.00       | 499.94                   |
| Total Undistributed Expenditures - Speech, OT, PT and Related Services                                   |                 | 103,465.00      | 15,000.00        | 118,465.00   | 109,978.19               |
| Undistributed Expenditures - Other Support Services - Extra Services: Salaries                           | 11-000-217-100  | 93,340.00       | (1,000.00)       | 92,340.00    | 89,162.42                |
| Total Undistributed Expenditures - Other Support Services - Extra Services                               |                 | 93,340.00       | (1,000.00)       | 92,340.00    | 89,162.42                |
| Undistributed Expenditures - Guidance: Salaries of Other Professional Staff                              | 11-000-218-104  | 45,228.00       | -                | 45,228.00    | 27,607.00                |
| Supplies and Materials                                                                                   | 11-000-218-600  | 300.00          | -                | 300.00       | 270.73                   |
| Total Undistributed Expenditures - Guidance                                                              |                 | 45,528.00       | -                | 45,528.00    | 27,877.73                |
| Undistributed Expenditures - Child Study Teams: Salaries of Other Professional Staff                     | 11-000-219-104  | 151,223.00      | -                | 151,223.00   | 150,743.00               |
| Purchased Professional - Educational Services                                                            | 11-000-219-320  | 1,000.00        | (500.00)         | 500.00       | 500.00                   |
| Supplies and Materials                                                                                   | 11-000-219-600  | 7,810.00        | 620.00           | 8,430.00     | 8,185.96                 |
| Other Objects                                                                                            | 11-000-219-800  | 1,850.00        | (120.00)         | 1,730.00     | 1,730.00                 |
| Total Undistributed Expenditures - Child Study Teams                                                     |                 | 161,883.00      | -                | 161,883.00   | 160,658.96               |
| Undistributed Expenditures - Improvement of Instruction Services: Salaries of Supervisors of Instruction | 11-000-221-102  | 98,709.00       | -                | 98,709.00    | 98,704.75                |
| Salaries of Other Professional Staff                                                                     | 11-000-221-104  | 3,200.00        | (500.00)         | 2,700.00     | 2,290.00                 |
| Salaries of Sec. and Clerical Assist.                                                                    | 11-000-221-105  | 19,059.00       | 1.00             | 19,060.00    | 19,059.11                |
| Purchased Professional - Educational Services                                                            | 11-000-221-320  | -               | 500.00           | 500.00       | 500.00                   |
| Supplies and Materials                                                                                   | 11-000-221-600  | 1,000.00        | 1,180.00         | 2,180.00     | 2,180.00                 |
| Other Objects                                                                                            | 11-000-221-800  | 800.00          | (1.00)           | 799.00       | 460.40                   |
| Total Undistributed Expenditures - Improvement of Instruction Services                                   |                 | 122,768.00      | 1,180.00         | 123,948.00   | 123,194.26               |



BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

| ACCOUNT NUMBERS                                                                     | JUNE 30, 2022     |                  |                   | VARIANCE          |                  |
|-------------------------------------------------------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|
|                                                                                     | ORIGINAL BUDGET   | BUDGET TRANSFERS | FINAL BUDGET      | ACTUAL            | FINAL TO ACTUAL  |
| Undistributed Expenditures - Instructional Staff Training Services:                 |                   |                  |                   |                   |                  |
| Purchased Professional - Educational Services                                       | 3,000.00          | -                | 3,000.00          | -                 | 3,000.00         |
| Other Purchased Services                                                            | 9,000.00          | (9,000.00)       | -                 | -                 | -                |
| Travel                                                                              | -                 | 9,000.00         | 9,000.00          | 238.00            | 8,762.00         |
| <b>Total Undistributed Expenditures - Instructional Staff Training Services</b>     | <b>12,000.00</b>  | <b>-</b>         | <b>12,000.00</b>  | <b>238.00</b>     | <b>11,762.00</b> |
| Undistributed Expenditures - Support Services - General Administration:             |                   |                  |                   |                   |                  |
| Salaries                                                                            | 179,141.00        | -                | 179,141.00        | 177,970.06        | 1,170.94         |
| Legal Services                                                                      | 6,000.00          | 4,900.00         | 10,900.00         | 6,045.00          | 3,955.00         |
| Audit Fees                                                                          | 23,300.00         | -                | 23,300.00         | 23,300.00         | -                |
| Architectural/Engineering Services                                                  | 6,000.00          | (5,200.00)       | 800.00            | -                 | 800.00           |
| Other Purchased Professional Services                                               | 25,074.00         | 6,000.00         | 31,074.00         | 26,732.69         | 4,341.31         |
| Communications/Telephone                                                            | 16,820.00         | (4,000.00)       | 12,820.00         | 7,783.68          | 5,036.32         |
| BOE Other Purchased Professional Services                                           | 5,600.00          | (4,000.00)       | 1,600.00          | 900.00            | 700.00           |
| Other Purchased Services                                                            | 4,500.00          | -                | 4,500.00          | 3,288.67          | 1,211.33         |
| General Supplies                                                                    | 8,000.00          | (2,100.00)       | 5,900.00          | 5,900.00          | -                |
| Miscellaneous Expenditures                                                          | 5,000.00          | 5,300.00         | 10,300.00         | 10,300.00         | -                |
| BOE Membership Dues and Fees                                                        | 3,800.00          | -                | 3,800.00          | 3,701.20          | 98.80            |
| <b>Total Undistributed Expenditures - Support Services - General Administration</b> | <b>283,235.00</b> | <b>-</b>         | <b>283,235.00</b> | <b>265,921.30</b> | <b>17,313.70</b> |
| Undistributed Expenditures - Support Services - School Administration:              |                   |                  |                   |                   |                  |
| Salaries of Principals/Assistant Principals                                         | 10,300.00         | 6.00             | 10,306.00         | 10,304.25         | 1.75             |
| Supplies and Materials                                                              | 200.00            | (5.00)           | 195.00            | 192.14            | 2.86             |
| Other Objects                                                                       | 1,200.00          | (1.00)           | 1,199.00          | 189.45            | 1,009.55         |
| <b>Total Undistributed Expenditures - Support Services - School Administration</b>  | <b>11,700.00</b>  | <b>-</b>         | <b>11,700.00</b>  | <b>10,685.84</b>  | <b>1,014.16</b>  |
| Undistributed Expenditures - Support Services - Central Services:                   |                   |                  |                   |                   |                  |
| Salaries                                                                            | 168,724.00        | 6,000.00         | 174,724.00        | 169,541.42        | 5,182.58         |
| Purchased Professional Services                                                     | 600.00            | -                | 600.00            | 300.00            | 300.00           |
| Purchased Technical Services                                                        | 20,000.00         | (6,400.00)       | 13,600.00         | 12,600.00         | 1,000.00         |
| Supplies and Materials                                                              | 3,000.00          | 980.00           | 3,980.00          | 3,811.67          | 168.33           |
| Miscellaneous Expenditures                                                          | 4,115.00          | 420.00           | 4,535.00          | 4,534.37          | 0.63             |
| <b>Total Undistributed Expenditures - Central Services</b>                          | <b>196,439.00</b> | <b>1,000.00</b>  | <b>197,439.00</b> | <b>190,787.46</b> | <b>6,651.54</b>  |

BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

| ACCOUNT NUMBERS                                                               | JUNE 30, 2022   |                  |              | VARIANCE FINAL TO ACTUAL |
|-------------------------------------------------------------------------------|-----------------|------------------|--------------|--------------------------|
|                                                                               | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET |                          |
| Undistributed Expenditures - Administrative Information Technology:           |                 |                  |              |                          |
| Salaries                                                                      | 22,660.00       | 10,199.00        | 32,859.00    | 13,975.69                |
| Supplies and Materials                                                        | 4,500.00        | (1.00)           | 4,499.00     | 1,090.95                 |
| Total Undistributed Expenditures - Administrative Information Technology      | 27,160.00       | 10,198.00        | 37,358.00    | 15,066.64                |
| Undistributed Expenditures - Required Maintenance for School Facilities:      |                 |                  |              |                          |
| Salaries                                                                      | 46,144.00       | (20,180.00)      | 25,964.00    | 8,775.59                 |
| Cleaning, Repair & Maintenance Services                                       | 100,000.00      | 29,000.00        | 129,000.00   | 4,814.21                 |
| General Supplies                                                              | 20,000.00       | 400.00           | 20,400.00    | 3,795.02                 |
| Other Objects                                                                 | 20,000.00       | 1,100.00         | 21,100.00    | 65.28                    |
| Total Undistributed Expenditures - Required Maintenance for School Facilities | 186,144.00      | 10,320.00        | 196,464.00   | 17,450.10                |
| Undistributed Expenditures - Custodial Services:                              |                 |                  |              |                          |
| Salaries                                                                      | 174,889.00      | -                | 174,889.00   | 5,297.08                 |
| Salaries of Non-Instructional Aides                                           | 45,225.00       | (11,000.00)      | 34,225.00    | 8,300.50                 |
| Purchased Professional and Technical Services                                 | 6,000.00        | 2,000.00         | 8,000.00     | 1,049.74                 |
| Other Purchased Property Services                                             | 4,500.00        | 600.00           | 5,100.00     | 63.99                    |
| Insurance                                                                     | 59,685.00       | 6,018.00         | 65,703.00    | 0.76                     |
| General Supplies                                                              | 13,000.00       | -                | 13,000.00    | 1,474.92                 |
| Energy (Natural Gas)                                                          | 40,000.00       | 15,000.00        | 55,000.00    | 6,389.17                 |
| Energy (Electricity)                                                          | 45,000.00       | -                | 45,000.00    | 8,258.33                 |
| Total Undistributed Expenditures - Custodial Services                         | 388,299.00      | 12,618.00        | 400,917.00   | 30,834.49                |
| Security:                                                                     |                 |                  |              |                          |
| Cleaning, Repair, and Maintenance Services                                    | 9,000.00        | -                | 9,000.00     | 1,089.70                 |
| General Supplies                                                              | 2,000.00        | -                | 2,000.00     | 2,000.00                 |
| Total Security                                                                | 11,000.00       | -                | 11,000.00    | 3,089.70                 |

BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

| ACCOUNT NUMBERS                                                              | JUNE 30, 2022   |                  |              | VARIANCE FINAL TO ACTUAL |
|------------------------------------------------------------------------------|-----------------|------------------|--------------|--------------------------|
|                                                                              | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET |                          |
| Undistributed Expenditures -                                                 |                 |                  |              |                          |
| Student Transportation Services:                                             |                 |                  |              |                          |
| Salaries of Pupil Transportation (Between Home & School) - Regular           | 33,996.00       | -                | 33,996.00    | 0.08                     |
| Contract Services - Aid in Lieu Payments - Non Public Schools                | 3,000.00        | 4,700.00         | 7,700.00     | -                        |
| Contract Services (Other Than Between Home & School) - Vendors               | 100.00          | -                | 100.00       | 100.00                   |
| Contract Services (Between Home & School) - Joint Agreement                  | 45,600.00       | 14,700.00        | 60,300.00    | 632.34                   |
| Contract Serv.(Sp Ed Stds)-Joint Agrmnts                                     | 15,500.00       | -                | 15,500.00    | 2,830.44                 |
| Contract Serv.(Spl. Ed. Students)-ESCs & CTSAs                               | 27,500.00       | -                | 27,500.00    | 2,424.39                 |
| Contract Services (Special Education) - ESCs & CTSAs                         | 35,750.00       | (14,700.00)      | 21,050.00    | 638.40                   |
| Total Undistributed Expenditures -                                           | 161,446.00      | 4,700.00         | 166,146.00   | 6,625.65                 |
| Student Transportation Services                                              |                 |                  |              |                          |
| Regular Programs - Instruction - Employee Benefits:                          |                 |                  |              |                          |
| Workmen's Compensation                                                       | 7,000.00        | -                | 7,000.00     | -                        |
| Health Benefits                                                              | 565,984.00      | 500.00           | 566,484.00   | 57,202.83                |
| Total Regular Program - Instruction - Employee Benefits                      | 572,984.00      | 500.00           | 573,484.00   | 57,202.83                |
| Bilingual Education - Instruction - Employee Benefits                        |                 |                  |              |                          |
| Health Benefits                                                              | 16,696.00       | 6,000.00         | 22,696.00    | 1,200.87                 |
| Total Bilingual Education - Instruction - Employee Benefits                  | 16,696.00       | 6,000.00         | 22,696.00    | 1,200.87                 |
| Attendance and Social Work Services                                          |                 |                  |              |                          |
| Social Security Compensation                                                 | 3,762.00        | -                | 3,762.00     | -                        |
| Health Benefits                                                              | 26,176.00       | -                | 26,176.00    | 419.94                   |
| Total Attendance and Social Work Services - Employee Benefits                | 29,938.00       | -                | 29,938.00    | 419.94                   |
| Health Services - Employee Benefits                                          |                 |                  |              |                          |
| Social Security Compensation                                                 | 356.00          | -                | 356.00       | -                        |
| Health Benefits                                                              | 32,347.00       | -                | 32,347.00    | 340.36                   |
| Total Health Services - Employee Benefits                                    | 32,703.00       | -                | 32,703.00    | 340.36                   |
| Other Support Services - Speech/OT/PT & Related Svc. - Employee Benefits     |                 |                  |              |                          |
| Health Benefits                                                              | 36,912.00       | -                | 36,912.00    | 1,118.32                 |
| Total Other Support Services - Speech/OT/PT & Related Svc.-Employee Benefits | 36,912.00       | -                | 36,912.00    | 1,118.32                 |

BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

| ACCOUNT NUMBERS                                                                                | ORIGINAL BUDGET | JUNE 30, 2022    |              | VARIANCE FINAL TO ACTUAL |
|------------------------------------------------------------------------------------------------|-----------------|------------------|--------------|--------------------------|
|                                                                                                |                 | BUDGET TRANSFERS | FINAL BUDGET |                          |
| Other Support Serv. - Extraordinary Serv. - Employee Benefits Health Benefits                  | 66,541.00       | 1,000.00         | 67,541.00    | 640.40                   |
| Total Other Support Serv. - Extraordinary Serv. - Employee Benefits                            | 66,541.00       | 1,000.00         | 66,900.60    | 640.40                   |
| Other Support Services - Guidance - Employee Benefits Health Benefits                          | 12,619.00       | -                | 12,619.00    | 1,439.84                 |
| Total Other Support Services - Guidance - Employee Benefits                                    | 12,619.00       | -                | 11,179.16    | 1,439.84                 |
| Other Support Services - Child Study Team- Employee Benefits Health Benefits                   | 40,682.00       | -                | 40,682.00    | 988.88                   |
| Total Other Support Services - Child Study Team- Employee Benefits                             | 40,682.00       | -                | 39,693.12    | 988.88                   |
| Improvement of Instructional Services - Employee Benefits Social Security Contributions        | 2,087.00        | -                | 2,087.00     | -                        |
| Total Improvement of Instructional Services - Employee Benefits                                | 2,087.00        | -                | 2,087.00     | -                        |
| Required Maintenance for School Facilities - Employee Benefits Salaries                        | 12,333.00       | 9,500.00         | 21,833.00    | 233.88                   |
| Total Required Maintenance for School Facilities - Employee Benefits                           | 12,333.00       | 9,500.00         | 21,599.12    | 233.88                   |
| Operations and Maintenance of Plant Services - Employee Benefits Social Security Contributions | 16,649.00       | -                | 16,649.00    | -                        |
| Workmen's Compensation Health Benefits                                                         | 38,000.00       | (6,618.00)       | 31,382.00    | 3,471.73                 |
| Total Operations and Maintenance of Plant Services - Employee Benefits                         | 51,896.00       | -                | 50,021.41    | 1,874.59                 |
| Total Allocated Benefits                                                                       | 930,940.00      | 10,382.00        | 940,422.00   | 68,931.64                |

BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

|                                                      | ACCOUNT NUMBERS | JUNE 30, 2022   |                  |              | VARIANCE FINAL TO ACTUAL |
|------------------------------------------------------|-----------------|-----------------|------------------|--------------|--------------------------|
|                                                      |                 | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET |                          |
| Unallocated Benefits:                                |                 |                 |                  |              |                          |
| Social Security Contributions                        | 11-000-291-220  | 40,368.00       | 1,800.00         | 42,168.00    | 46.66                    |
| Other Retirement Contributions - PERS                | 11-000-291-241  | 92,296.00       | 8,200.00         | 100,496.00   | 1,747.76                 |
| Unemployment Compensation                            | 11-000-291-250  | 2,000.00        | -                | 2,000.00     | 2,000.00                 |
| Workmen's Compensation                               | 11-000-291-260  | 5,000.00        | -                | 5,000.00     | -                        |
| Health Benefits                                      | 11-000-291-270  | 53,124.00       | -                | 53,124.00    | 2,783.35                 |
| Tuition Reimbursement                                | 11-000-291-280  | 9,000.00        | -                | 9,000.00     | -                        |
| Other Employee Benefits                              | 11-000-291-290  | 6,000.00        | 4,000.00         | 10,000.00    | 957.22                   |
| Total Unallocated Benefits                           |                 | 207,788.00      | 14,000.00        | 221,788.00   | 7,534.99                 |
| Nonbudgeted:                                         |                 |                 |                  |              |                          |
| TPAF Pension (on-behalf)                             |                 | -               | -                | -            | (1,060,854.00)           |
| TPAF Social Security (reimbursed)                    |                 | -               | -                | -            | (220,323.49)             |
| TPAF Post Retirements                                |                 | -               | -                | -            | (247,858.00)             |
| TPAF Long-Term Disability Insurance (on behalf)      |                 | -               | -                | -            | (618.00)                 |
| Total Undistributed Expenditures                     |                 | 4,097,153.00    | (23,982.00)      | 4,073,171.00 | (1,233,027.91)           |
| Total Expenditures - Current Expense                 |                 | 7,494,174.00    | (15,350.00)      | 7,478,824.00 | (1,057,947.80)           |
| Interest Deposit to Capital Reserves                 | 10-604          | 1,000.00        | -                | 1,000.00     | 1,000.00                 |
| Interest Deposit to Maintenance Reserves             | 10-606          | 100.00          | -                | 100.00       | 100.00                   |
| Interest Deposit to Emergency Reserves               | 10-607          | 100.00          | -                | 100.00       | 100.00                   |
| Capital Outlay:                                      |                 |                 |                  |              |                          |
| Equipment:                                           |                 |                 |                  |              |                          |
| Grades 6-8                                           | 12-130-100-730  | -               | 2,350.00         | 2,350.00     | -                        |
| Total Equipment                                      |                 | -               | 2,350.00         | 2,350.00     | -                        |
| Facilities Acquisition & Construction Services:      |                 |                 |                  |              |                          |
| Other Objects                                        | 12-000-400-800  | -               | 20,000.00        | 20,000.00    | 20,000.00                |
| Assessment for Debt Service on SDA Funding           | 12-000-400-896  | 21,662.00       | -                | 21,662.00    | -                        |
| Total Facilities Acquisition & Construction Services |                 | 21,662.00       | 20,000.00        | 41,662.00    | 20,000.00                |
| Total Capital Outlay                                 |                 | 21,662.00       | 22,350.00        | 44,012.00    | 20,000.00                |
| Transfer of Funds to Charter Schools                 |                 | 12,882.00       | 13,000.00        | 25,882.00    | 7,292.00                 |
| Total Expenditures                                   |                 | 7,529,918.00    | 20,000.00        | 7,549,918.00 | (1,029,655.80)           |

BRADLEY BEACH SCHOOL DISTRICT  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

| ACCOUNT NUMBERS                                                                                        | JUNE 30, 2022   |                  |                 | VARIANCE FINAL TO ACTUAL |
|--------------------------------------------------------------------------------------------------------|-----------------|------------------|-----------------|--------------------------|
|                                                                                                        | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET    |                          |
| Excess/(Deficiency) of Revenues Over/<br>(Under) Expenditures Before Other<br>Financing Sources/(Uses) | (326,361.00)    | -                | (326,361.00)    | 520,420.58               |
| Other Financing Sources/(Uses):                                                                        |                 |                  |                 |                          |
| Transfers In/(Out):                                                                                    |                 |                  |                 |                          |
| Transfer from Other Funds                                                                              | -               | -                | -               | 16,244.80                |
| Total Other Financing Sources/(Uses)                                                                   | -               | -                | -               | 16,244.80                |
| Excess/(Deficiency) of Revenues Over/<br>(Under) Expenditures After Other<br>Financing Sources/(Uses)  | (326,361.00)    | -                | (326,361.00)    | 536,665.38               |
| Fund Balances, July 1                                                                                  | 1,388,086.80    | -                | 1,388,086.80    | -                        |
| Fund Balances, June 30                                                                                 | \$ 1,061,725.80 | \$ -             | \$ 1,061,725.80 | \$ 536,665.38            |

RECAPITULATION OF FUND BALANCE

|                                                              |                 |
|--------------------------------------------------------------|-----------------|
| Restricted Fund Balance:                                     |                 |
| Capital Reserve                                              | \$ 210,900.00   |
| Maintenance Reserve                                          | 149,100.00      |
| Emergency Reserve                                            | 178,500.00      |
| Unemployment Compensation                                    | 24,176.13       |
| Excess Surplus                                               | 346,564.35      |
| Excess Surplus Designated for Subsequent Year's Expenditures | 294,075.71      |
| Assigned Fund Balance:                                       |                 |
| Designated for Subsequent Year's Expenditures                | 76,009.00       |
| Year-End Encumbrances                                        | 33,526.18       |
| Unassigned Fund Balance                                      | 285,739.81      |
| Subtotal                                                     | 1,598,591.18    |
| Reconciliation to Governmental Funds Statements (GAAP):      |                 |
| Last State Aid Payments Not Recognized on GAAP Basis         | (70,569.00)     |
| Fund Balance per Governmental Funds (GAAP)                   | \$ 1,528,022.18 |

**BRADLEY BEACH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2022**

|                                                                                               | JUNE 30, 2022       |                     |                     |                      | VARIANCE<br>FINAL TO<br>ACTUAL<br>(OVER)/<br>UNDER |
|-----------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|----------------------|----------------------------------------------------|
|                                                                                               | ORIGINAL<br>BUDGET  | BUDGET<br>TRANSFERS | FINAL<br>BUDGET     | ACTUAL               |                                                    |
| Revenues:                                                                                     |                     |                     |                     |                      |                                                    |
| Local Sources                                                                                 | \$ 6,506.00         | \$ -                | \$ 6,506.00         | \$ 29,905.04         | \$ (23,399.04)                                     |
| State Sources                                                                                 | 332,566.00          | -                   | 332,566.00          | 332,566.00           | -                                                  |
| Federal Sources                                                                               | 1,963,053.26        | -                   | 1,963,053.26        | 691,955.93           | 1,271,097.33                                       |
| <b>Total Revenues</b>                                                                         | <b>2,302,125.26</b> | <b>-</b>            | <b>2,302,125.26</b> | <b>1,054,426.97</b>  | <b>1,247,698.29</b>                                |
| Expenditures:                                                                                 |                     |                     |                     |                      |                                                    |
| Instruction:                                                                                  |                     |                     |                     |                      |                                                    |
| Salaries of Teachers                                                                          | 676,674.00          | -                   | 676,674.00          | 444,353.00           | 232,321.00                                         |
| Other Salaries for Instruction                                                                | 174,963.00          | -                   | 174,963.00          | 115,703.35           | 59,259.65                                          |
| Purchased Professional - Educational Services                                                 | 7,000.00            | -                   | 7,000.00            | -                    | 7,000.00                                           |
| General Supplies                                                                              | 49,520.00           | -                   | 49,520.00           | 32,019.98            | 17,500.02                                          |
| <b>Total Instruction</b>                                                                      | <b>908,157.00</b>   | <b>-</b>            | <b>908,157.00</b>   | <b>592,076.33</b>    | <b>316,080.67</b>                                  |
| Support Services:                                                                             |                     |                     |                     |                      |                                                    |
| Salaries of Other Professional Staff                                                          | 256,032.00          | -                   | 256,032.00          | 124,537.08           | 131,494.92                                         |
| Personal Services - Employee Benefits                                                         | 332,946.01          | -                   | 332,946.01          | 224,626.46           | 108,319.55                                         |
| Purchased Educational Services                                                                | 91,578.15           | -                   | 91,578.15           | 57,157.15            | 34,421.00                                          |
| Travel                                                                                        | 11,165.10           | -                   | 11,165.10           | 7,417.97             | 3,747.13                                           |
| Supplies and Materials                                                                        | 36,770.00           | -                   | 36,770.00           | 13,441.49            | 23,328.51                                          |
| Student Activities                                                                            | -                   | -                   | -                   | 33,522.32            | (33,522.32)                                        |
| <b>Total Support Services</b>                                                                 | <b>728,491.26</b>   | <b>-</b>            | <b>728,491.26</b>   | <b>460,702.47</b>    | <b>267,788.79</b>                                  |
| Facilities Acquisition & Construction Services:                                               |                     |                     |                     |                      |                                                    |
| Instructional Equipment                                                                       | 665,477.00          | -                   | 665,477.00          | 10,738.00            | 654,739.00                                         |
| <b>Total Facilities Acquisition &amp; Construction Services</b>                               | <b>665,477.00</b>   | <b>-</b>            | <b>665,477.00</b>   | <b>10,738.00</b>     | <b>654,739.00</b>                                  |
| <b>Total Expenditures</b>                                                                     | <b>2,302,125.26</b> | <b>-</b>            | <b>2,302,125.26</b> | <b>1,063,516.80</b>  | <b>1,238,608.46</b>                                |
| <b>Total Outflows</b>                                                                         | <b>2,302,125.26</b> | <b>-</b>            | <b>2,302,125.26</b> | <b>1,063,516.80</b>  | <b>1,238,608.46</b>                                |
| Excess/(Deficiency) of Revenues Over/(Under)<br>Expenditures & Other Financing Sources/(Uses) | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ (9,089.83)</u> | <u>\$ 9,089.83</u>                                 |
| Fund Balance, July 1                                                                          |                     |                     |                     | 44,844.45            |                                                    |
| Fund Balance, June 30                                                                         |                     |                     |                     | <u>\$ 35,754.62</u>  |                                                    |
| Recapitulation:                                                                               |                     |                     |                     |                      |                                                    |
| Restricted:                                                                                   |                     |                     |                     |                      |                                                    |
| Student Activities                                                                            |                     |                     |                     | \$ 35,754.62         |                                                    |
| Reconciliation to Governmental Fund Statements                                                |                     |                     |                     |                      |                                                    |
| Last State Aid Payment                                                                        |                     |                     |                     | <u>(32,634.00)</u>   |                                                    |
| Fund Balance per Governmental Funds (GAAP)                                                    |                     |                     |                     | <u>\$ 3,120.62</u>   |                                                    |

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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**BRADLEY BEACH SCHOOL DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
YEAR ENDED JUNE 30, 2022**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and  
GAAP Revenues and Expenditures**

|                                                                                                                                                                                                                                | GENERAL<br>FUND        | SPECIAL<br>REVENUE<br>FUND |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| <b>Sources/Inflows of Resources:</b>                                                                                                                                                                                           |                        |                            |
| Actual Amounts (Budgetary Basis) "Revenue"                                                                                                                                                                                     |                        |                            |
| From the Budgetary Comparison Schedule (C-Series)                                                                                                                                                                              | \$ 8,773,633.38        | \$ 1,054,426.97            |
| Difference - Budget to GAAP:                                                                                                                                                                                                   |                        |                            |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.                                                                                 |                        |                            |
| Current Year                                                                                                                                                                                                                   | -                      | (485.00)                   |
| The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).    |                        |                            |
| Current Year                                                                                                                                                                                                                   | (70,569.00)            | (32,634.00)                |
| Prior Year                                                                                                                                                                                                                     | 82,710.00              | 33,423.00                  |
|                                                                                                                                                                                                                                |                        |                            |
| Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)                                                                                                | <u>\$ 8,785,774.38</u> | <u>\$ 1,054,730.97</u>     |
| <b>Uses/outflows of resources:</b>                                                                                                                                                                                             |                        |                            |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)                                                                                                                           | \$ 8,579,373.80        | \$ 1,063,516.80            |
| Differences - budget to GAAP                                                                                                                                                                                                   |                        |                            |
| Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes. |                        |                            |
|                                                                                                                                                                                                                                | -                      | (485.00)                   |
|                                                                                                                                                                                                                                |                        |                            |
| Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)                                                                                             | <u>\$ 8,579,373.80</u> | <u>\$ 1,063,031.80</u>     |

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)**

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BRADLEY BEACH SCHOOL DISTRICT  
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST NINE FISCAL YEARS \*

|                                                                                                           | 2022          | 2021            | 2020            | 2019            | 2018            | 2017            | 2016            | 2015            | 2014            |
|-----------------------------------------------------------------------------------------------------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| School District's proportion of the net pension liability                                                 | 0.00769%      | 0.00712%        | 0.00668%        | 0.00719%        | 0.00632%        | 0.00684%        | 0.00652%        | 0.00680%        | 0.00630%        |
| School District's proportionate share of the net pension liability                                        | \$ 911,554.00 | \$ 1,160,501.00 | \$ 1,204,325.00 | \$ 1,414,878.00 | \$ 1,470,892.00 | \$ 2,025,959.00 | \$ 1,463,022.00 | \$ 1,272,369.00 | \$ 1,205,923.00 |
| School District's covered payroll                                                                         | \$ 486,166.00 | \$ 507,305.00   | \$ 495,663.00   | \$ 491,412.00   | \$ 481,191.00   | \$ 439,937.00   | \$ 451,759.00   | \$ 642,064.00   | N/A             |
| School District's proportionate share of the net pension liability as a percentage of its covered payroll | 187.50%       | 228.76%         | 242.97%         | 287.92%         | 305.68%         | 460.51%         | 323.85%         | 198.17%         | N/A             |
| Plan fiduciary net position as a percentage of the total pension liability                                | 70.33%        | 58.32%          | 56.27%          | 53.60%          | 48.10%          | 40.14%          | 47.93%          | 52.08%          | 48.72%          |

Note: The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

BRADLEY BEACH SCHOOL DISTRICT  
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST NINE FISCAL YEARS \*

|                                                                      | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          | 2015          | 2014          |
|----------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| School District's contractually required contribution                | \$ 90,114.00  | \$ 77,850.00  | \$ 65,014.00  | \$ 71,477.00  | \$ 58,536.00  | \$ 60,770.00  | \$ 56,032.00  | \$ 56,024.00  | \$ 47,464.00  |
| Contributions in relation to the contractually required contribution | (90,114.00)   | (77,850.00)   | (65,014.00)   | (71,477.00)   | (58,536.00)   | (60,770.00)   | (56,032.00)   | (56,024.00)   | (47,464.00)   |
| Contribution deficiency (excess)                                     | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| School District's covered payroll                                    | \$ 546,145.00 | \$ 486,168.00 | \$ 507,505.00 | \$ 495,663.00 | \$ 491,412.00 | \$ 495,663.00 | \$ 439,937.00 | \$ 451,759.00 | \$ 451,759.00 |
| Contributions as a percentage of covered payroll                     | 16.50%        | 16.01%        | 12.82%        | 14.42%        | 11.91%        | 12.26%        | 12.74%        | 12.40%        | 10.51%        |

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

BRADLEY BEACH SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)  
 LAST NINE FISCAL YEARS \*

|                                                                                                           | 2022             | 2021             | 2020             | 2019             | 2018             | 2017             | 2016             | 2015             | 2014             |
|-----------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| School District's proportion of the net pension liability                                                 | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            |
| School District's proportionate share of the net pension liability                                        | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |
| State's proportionate share of the net pension liability associated with the School District              | \$ 12,120,459.00 | \$ 17,410,592.00 | \$ 17,042,313.00 | \$ 15,673,425.00 | \$ 16,021,996.00 | \$ 20,176,623.00 | \$ 13,332,954.00 | \$ 13,228,171.00 | \$ 12,766,502.00 |
|                                                                                                           | \$ 12,120,459.00 | \$ 17,410,592.00 | \$ 17,042,313.00 | \$ 15,673,425.00 | \$ 16,021,996.00 | \$ 20,176,623.00 | \$ 13,332,954.00 | \$ 13,228,171.00 | \$ 12,766,502.00 |
| School District's covered payroll                                                                         | \$ 3,066,836.00  | \$ 2,899,058.00  | \$ 2,800,328.00  | \$ 2,729,457.00  | \$ 2,870,985.00  | \$ 2,450,203.00  | \$ 2,417,282.00  | \$ 2,211,978.00  | N/A              |
| School District's proportionate share of the net pension liability as a percentage of its covered payroll | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            |
| Plan fiduciary net position as a percentage of the total pension liability                                | 35.52%           | 24.60%           | 26.95%           | 26.49%           | 25.41%           | 25.41%           | 22.33%           | 28.71%           | 33.64%           |

Note: The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT  
BENEFITS (GASB 75)**

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**BRADLEY BEACH BOARD OF EDUCATION  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)  
LAST FIVE FISCAL YEARS \***

|                                                                 | 2022                    | 2021                    | 2020                    | 2019                    | 2018                    |
|-----------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>School District's Total OPEB Liability:</b>                  |                         |                         |                         |                         |                         |
| Service Cost                                                    | \$ 909,692.00           | \$ 494,322.00           | \$ 514,093.00           | \$ 500,079.00           | \$ 604,638.00           |
| Interest Cost                                                   | 403,132.00              | 392,040.00              | 493,086.00              | 508,840.00              | 437,792.00              |
| Changes of Benefit Term                                         | (16,541.00)             | -                       | -                       | -                       | -                       |
| Differences between Expected and Actual Experiences             | (3,062,587.00)          | 2,940,519.00            | (2,378,861.00)          | (752,204.00)            | -                       |
| Changes of Assumptions                                          | 15,332.00               | 3,214,649.00            | 161,836.00              | (1,421,500.00)          | (1,771,257.00)          |
| Contributions: Member                                           | 10,306.00               | 9,286.00                | 9,877.00                | 11,448.00               | 11,831.00               |
| Gross Benefit Payments                                          | (317,555.00)            | (306,376.00)            | (333,189.00)            | (331,231.00)            | 321,301.00              |
| <b>Net Change in School District's Total OPEB Liability</b>     | <b>(2,058,221.00)</b>   | <b>6,744,440.00</b>     | <b>(1,533,158.00)</b>   | <b>(1,484,568.00)</b>   | <b>(1,038,297.00)</b>   |
| School District's Total OPEB Liability (Beginning)              | 17,598,541.00           | 10,854,101.00           | 12,387,259.00           | 13,871,827.00           | 14,910,124.00           |
| <b>School District's Total OPEB Liability (Ending)</b>          | <b>\$ 15,540,320.00</b> | <b>\$ 17,598,541.00</b> | <b>\$ 10,854,101.00</b> | <b>\$ 12,387,259.00</b> | <b>\$ 13,871,827.00</b> |
| School District's Covered Employee Payroll                      | \$ 3,612,981.00         | \$ 3,385,226.00         | \$ 3,307,633.00         | \$ 3,225,120.00         | \$ 3,425,120.00         |
| School District's Net OPEB Liability as a Percentage of Payroll | 430%                    | 520%                    | 328%                    | 384%                    | 405%                    |

**Note:** The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**BRADLEY BEACH BOARD OF EDUCATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2022**

**Public Employees' Retirement System (PERS)**

*Changes in Benefit Terms*

The June 30, 2021 measurement date includes one change in plan provisions as Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and regular part of PERS into the WCJ Part of PERS.

*Changes in Assumptions*

The discount rate used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 2021        | 7.00%       | 2018        | 5.66%       | 2015        | 4.90%       |
| 2020        | 7.00%       | 2017        | 5.00%       | 2014        | 5.39%       |
| 2019        | 6.28%       | 2016        | 3.98%       |             |             |

The long-term expected rate of return used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 2021        | 7.00%       | 2018        | 7.00%       | 2015        | 7.90%       |
| 2020        | 7.00%       | 2017        | 7.00%       | 2014        | 7.90%       |
| 2019        | 7.00%       | 2016        | 7.65%       |             |             |

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

**Teachers Pension and Annuity Fund (TPAF)**

*Changes in Benefit Terms*

None.

*Changes in Assumptions*

The discount rate used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 2021        | 7.00%       | 2018        | 4.86%       | 2015        | 4.13%       |
| 2020        | 5.40%       | 2017        | 4.25%       | 2014        | 4.68%       |
| 2019        | 5.60%       | 2016        | 3.22%       |             |             |

The long-term expected rate of return used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 2021        | 7.00%       | 2018        | 7.00%       | 2015        | 7.90%       |
| 2020        | 7.30%       | 2017        | 7.00%       | 2014        | 7.90%       |
| 2019        | 7.00%       | 2016        | 7.65%       |             |             |

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

*Changes in Benefit Terms*

None.

*Changes in Assumptions*

The discount rate used as of June 30, measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|
| 2021        | 0.00%       | 2018        | 0.00%       |
| 2020        | 0.00%       | 2017        | 0.00%       |
| 2019        | 0.00%       | 2016        | 0.00%       |

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

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**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

Not Applicable

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**E. Special Revenue Fund**

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BRADLEY BEACH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2022

|                                                           | Title I       | Title I, SIA | Title IIA   | Title IV    | IDEA<br>Basic | IDEA<br>Preschool |
|-----------------------------------------------------------|---------------|--------------|-------------|-------------|---------------|-------------------|
| Revenues:                                                 |               |              |             |             |               |                   |
| Local Sources                                             | \$ -          | \$ -         | \$ -        | \$ -        | \$ -          | \$ -              |
| State Sources                                             | -             | -            | -           | -           | -             | -                 |
| Federal Sources                                           | 127,464.17    | 10,179.84    | 7,417.97    | 8,225.00    | 128,994.15    | 2,827.00          |
| Total Revenues                                            | \$ 127,464.17 | \$ 10,179.84 | \$ 7,417.97 | \$ 8,225.00 | \$ 128,994.15 | \$ 2,827.00       |
| Expenditures:                                             |               |              |             |             |               |                   |
| Instruction:                                              |               |              |             |             |               |                   |
| Salaries of Teachers                                      | \$ 99,824.00  | \$ 7,020.00  | \$ -        | \$ -        | \$ 44,000.00  | \$ 1,949.00       |
| Other Salaries for Instruction                            | -             | -            | -           | -           | 52,060.00     | -                 |
| Purchased Professional - Educational Services             | -             | -            | -           | -           | -             | -                 |
| General Supplies                                          | -             | -            | -           | 225.00      | -             | -                 |
| Total Instruction                                         | 99,824.00     | 7,020.00     | -           | 225.00      | 96,060.00     | 1,949.00          |
| Support Services:                                         |               |              |             |             |               |                   |
| Salaries of Other Professional Staff                      | -             | -            | -           | -           | -             | -                 |
| Personal Services - Employee Benefits                     | 27,640.17     | 3,159.84     | -           | -           | 23,783.00     | 878.00            |
| Purchased Educational Services                            | -             | -            | -           | 8,000.00    | 9,151.15      | -                 |
| Travel                                                    | -             | -            | 7,417.97    | -           | -             | -                 |
| Supplies and Materials                                    | -             | -            | -           | -           | -             | -                 |
| Student Activities                                        | -             | -            | -           | -           | -             | -                 |
| Total Support Services                                    | 27,640.17     | 3,159.84     | 7,417.97    | 8,000.00    | 32,934.15     | 878.00            |
| Facilities Acquisition & Construction Services:           |               |              |             |             |               |                   |
| Instructional Equipment                                   | -             | -            | -           | -           | -             | -                 |
| Total Facilities Acquisition & Construction Services      | -             | -            | -           | -           | -             | -                 |
| Total Expenditures                                        | \$ 127,464.17 | \$ 10,179.84 | \$ 7,417.97 | \$ 8,225.00 | \$ 128,994.15 | \$ 2,827.00       |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | -             | -            | -           | -           | -             | -                 |
| Fund Balance, July 1                                      | -             | -            | -           | -           | -             | -                 |
| Fund Balance, June 30                                     | \$ -          | \$ -         | \$ -        | \$ -        | \$ -          | \$ -              |

**BRADLEY BEACH SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS**  
**YEAR ENDED JUNE 30, 2022**

|                                                                      | COVID ARP -<br>IDEA Basic | COVID ARP -<br>IDEA Preschool | CRRSA -<br>ESSER II  | CRRSA - Learning<br>Acceleration | CRRSA -<br>Mental Health | ESSER III           |
|----------------------------------------------------------------------|---------------------------|-------------------------------|----------------------|----------------------------------|--------------------------|---------------------|
| <b>Revenues:</b>                                                     |                           |                               |                      |                                  |                          |                     |
| Local Sources                                                        | \$ -                      | \$ -                          | \$ -                 | \$ -                             | \$ -                     | \$ -                |
| State Sources                                                        | -                         | -                             | -                    | -                                | -                        | -                   |
| Federal Sources                                                      | 14,247.00                 | 1,209.00                      | 250,831.18           | 24,498.00                        | 42,249.00                | 52,956.11           |
| <b>Total Revenues</b>                                                | <b>\$ 14,247.00</b>       | <b>\$ 1,209.00</b>            | <b>\$ 250,831.18</b> | <b>\$ 24,498.00</b>              | <b>\$ 42,249.00</b>      | <b>\$ 52,956.11</b> |
| <b>Expenditures:</b>                                                 |                           |                               |                      |                                  |                          |                     |
| <b>Instruction:</b>                                                  |                           |                               |                      |                                  |                          |                     |
| Salaries of Teachers                                                 | \$ 6,000.00               | \$ -                          | \$ 110,370.00        | \$ 16,415.00                     | \$ -                     | \$ -                |
| Other Salaries for Instruction                                       | -                         | -                             | -                    | -                                | -                        | 11,583.35           |
| Purchased Professional - Educational Services                        | -                         | -                             | -                    | -                                | -                        | -                   |
| General Supplies                                                     | -                         | -                             | 29,999.98            | 1,695.00                         | -                        | -                   |
| <b>Total Instruction</b>                                             | <b>6,000.00</b>           | <b>-</b>                      | <b>140,369.98</b>    | <b>18,110.00</b>                 | <b>-</b>                 | <b>11,583.35</b>    |
| <b>Support Services:</b>                                             |                           |                               |                      |                                  |                          |                     |
| Salaries of Other Professional Staff                                 | -                         | -                             | 34,163.08            | -                                | 28,928.00                | 14,895.00           |
| Personal Services - Employee Benefits                                | 2,700.00                  | -                             | 61,729.18            | 1,288.00                         | 11,571.00                | 26,477.76           |
| Purchased Educational Services                                       | 5,547.00                  | 1,209.00                      | 2,000.00             | 5,100.00                         | 1,750.00                 | -                   |
| Travel                                                               | -                         | -                             | -                    | -                                | -                        | -                   |
| Supplies and Materials                                               | -                         | -                             | 8,068.94             | -                                | -                        | -                   |
| Student Activities                                                   | -                         | -                             | -                    | -                                | -                        | -                   |
| <b>Total Support Services</b>                                        | <b>8,247.00</b>           | <b>1,209.00</b>               | <b>105,961.20</b>    | <b>6,388.00</b>                  | <b>42,249.00</b>         | <b>41,372.76</b>    |
| <b>Facilities Acquisition &amp; Construction Services:</b>           |                           |                               |                      |                                  |                          |                     |
| Instructional Equipment                                              | -                         | -                             | 4,500.00             | -                                | -                        | -                   |
| <b>Total Facilities Acquisition &amp; Construction Services</b>      | <b>-</b>                  | <b>-</b>                      | <b>4,500.00</b>      | <b>-</b>                         | <b>-</b>                 | <b>-</b>            |
| <b>Total Expenditures</b>                                            | <b>\$ 14,247.00</b>       | <b>\$ 1,209.00</b>            | <b>\$ 250,831.18</b> | <b>\$ 24,498.00</b>              | <b>\$ 42,249.00</b>      | <b>\$ 52,956.11</b> |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>-</b>                  | <b>-</b>                      | <b>-</b>             | <b>-</b>                         | <b>-</b>                 | <b>-</b>            |
| <b>Fund Balance, July 1</b>                                          | <b>-</b>                  | <b>-</b>                      | <b>-</b>             | <b>-</b>                         | <b>-</b>                 | <b>-</b>            |
| <b>Fund Balance, June 30</b>                                         | <b>\$ -</b>               | <b>\$ -</b>                   | <b>\$ -</b>          | <b>\$ -</b>                      | <b>\$ -</b>              | <b>\$ -</b>         |

BRADLEY BEACH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2022

|                                                                 | ESSER III -<br>ALCES | ESSER III -<br>EBCBSD | Preschool<br>Education Aid | SDA Emergent &<br>Capital Needs | Local Grants       | Student<br>Activities | Totals                 |
|-----------------------------------------------------------------|----------------------|-----------------------|----------------------------|---------------------------------|--------------------|-----------------------|------------------------|
| Revenues:                                                       |                      |                       |                            |                                 |                    |                       |                        |
| Local Sources                                                   | \$ -                 | \$ -                  | \$ -                       | \$ -                            | \$ 5,472.55        | \$ 24,432.49          | \$ 29,905.04           |
| State Sources                                                   | -                    | -                     | 326,328.00                 | 6,238.00                        | -                  | -                     | 332,566.00             |
| Federal Sources                                                 | 20,400.00            | 457.51                | -                          | -                               | -                  | -                     | 691,955.93             |
| <b>Total Revenues</b>                                           | <b>\$ 20,400.00</b>  | <b>\$ 457.51</b>      | <b>\$ 326,328.00</b>       | <b>\$ 6,238.00</b>              | <b>\$ 5,472.55</b> | <b>\$ 24,432.49</b>   | <b>\$ 1,054,426.97</b> |
| Expenditures:                                                   |                      |                       |                            |                                 |                    |                       |                        |
| Instruction:                                                    |                      |                       |                            |                                 |                    |                       |                        |
| Salaries of Teachers                                            | \$ -                 | \$ 425.00             | \$ 158,350.00              | \$ -                            | \$ -               | \$ -                  | \$ 444,353.00          |
| Other Salaries for Instruction                                  | -                    | -                     | 52,060.00                  | -                               | -                  | -                     | 115,703.35             |
| Purchased Professional - Educational Services                   | -                    | -                     | -                          | -                               | -                  | -                     | -                      |
| General Supplies                                                | -                    | -                     | -                          | -                               | 100.00             | -                     | 32,019.98              |
| <b>Total Instruction</b>                                        | <b>-</b>             | <b>425.00</b>         | <b>210,410.00</b>          | <b>-</b>                        | <b>100.00</b>      | <b>-</b>              | <b>592,076.33</b>      |
| Support Services:                                               |                      |                       |                            |                                 |                    |                       |                        |
| Salaries of Other Professional Staff                            | -                    | -                     | 46,551.00                  | -                               | -                  | -                     | 124,537.08             |
| Personal Services - Employee Benefits                           | -                    | 32.51                 | 65,367.00                  | -                               | -                  | -                     | 224,626.46             |
| Purchased Educational Services                                  | 20,400.00            | -                     | 4,000.00                   | -                               | -                  | -                     | 57,157.15              |
| Transportation                                                  | -                    | -                     | -                          | -                               | -                  | -                     | 7,417.97               |
| Supplies and Materials                                          | -                    | -                     | -                          | -                               | 5,372.55           | -                     | 13,441.49              |
| Student Activities                                              | -                    | -                     | -                          | -                               | -                  | 33,522.32             | 33,522.32              |
| <b>Total Support Services</b>                                   | <b>20,400.00</b>     | <b>32.51</b>          | <b>115,918.00</b>          | <b>-</b>                        | <b>5,372.55</b>    | <b>33,522.32</b>      | <b>460,702.47</b>      |
| Facilities Acquisition & Construction Services:                 |                      |                       |                            |                                 |                    |                       |                        |
| Instructional Equipment                                         | -                    | -                     | -                          | 6,238.00                        | -                  | -                     | 10,738.00              |
| <b>Total Facilities Acquisition &amp; Construction Services</b> | <b>-</b>             | <b>-</b>              | <b>-</b>                   | <b>6,238.00</b>                 | <b>-</b>           | <b>-</b>              | <b>10,738.00</b>       |
| <b>Total Expenditures</b>                                       | <b>\$ 20,400.00</b>  | <b>\$ 457.51</b>      | <b>\$ 326,328.00</b>       | <b>\$ 6,238.00</b>              | <b>\$ 5,472.55</b> | <b>\$ 33,522.32</b>   | <b>\$ 1,063,516.80</b> |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures    | -                    | -                     | -                          | -                               | -                  | (9,089.83)            | (9,089.83)             |
| Fund Balance, July 1                                            | -                    | -                     | -                          | -                               | -                  | 44,844.45             | 44,844.45              |
| <b>Fund Balance, June 30</b>                                    | <b>\$ -</b>          | <b>\$ -</b>           | <b>\$ -</b>                | <b>\$ -</b>                     | <b>\$ -</b>        | <b>\$ 35,754.62</b>   | <b>\$ 35,754.62</b>    |

**BRADLEY BEACH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
SCHEDULE OF PRESCHOOL EDUCATION AID  
BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2022**

|                                               | 2022<br>Budgeted | 2022<br>Actual | Variance |
|-----------------------------------------------|------------------|----------------|----------|
| <b>DISTRICT-WIDE TOTALS</b>                   |                  |                |          |
| <b>EXPENDITURES:</b>                          |                  |                |          |
| Instruction:                                  |                  |                |          |
| Salaries of Teachers                          | \$ 158,350.00    | \$ 158,350.00  | \$ -     |
| Other Salaries for Instruction                | 52,060.00        | 52,060.00      | -        |
| Total Instruction                             | 210,410.00       | 210,410.00     | -        |
| Support Services:                             |                  |                |          |
| Other Salaries                                | 46,551.00        | 46,551.00      | -        |
| Personal Services - Employee Benefits         | 65,367.00        | 65,367.00      | -        |
| Purchased Professional - Educational Services | 4,000.00         | 4,000.00       | -        |
| Total Support Services                        | 115,918.00       | 115,918.00     | -        |
| Total Expenditures                            | \$ 326,328.00    | \$ 326,328.00  | \$ -     |

**SUMMARY OF LOCATION TOTALS**

|                                                                                   |               |
|-----------------------------------------------------------------------------------|---------------|
| Total revised 2021-22 Preschool Education Aid Allocation                          | \$ 326,328.00 |
| Total Preschool Education Aid Funds Available for 2021-22 Budget                  | 326,328.00    |
| Less:                                                                             |               |
| 2021-22 Budgeted Preschool Education Aid (Including prior-year budget carryover)  | 326,328.00    |
| Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2022        | -             |
| Add:                                                                              |               |
| June 30, 2022 Unexpended Preschool Education Aid                                  | -             |
| 2021-22 Carryover - Preschool Education Aid Programs                              | \$ -          |
| 2021-22 Preschool Education Aid Carryover Budgeted for Preschool Programs 2022-23 | \$ -          |

**F. Capital Projects Fund**

*Not Applicable*

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**H. Fiduciary Fund**  
*Not Applicable*

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## **I. Long-Term Debt**

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BRADLEY BEACH SCHOOL DISTRICT  
 LONG-TERM DEBT  
 SCHEDULE OF SERIAL BONDS PAYABLE  
 YEAR ENDED JUNE 30, 2022

| ISSUE                                                | DATE OF ISSUE | AMOUNT OF ISSUE | ANNUAL MATURITIES |               | INTEREST RATE | BALANCE JUNE 30, 2021 | RETIRED       | BALANCE JUNE 30, 2022 |
|------------------------------------------------------|---------------|-----------------|-------------------|---------------|---------------|-----------------------|---------------|-----------------------|
|                                                      |               |                 | DATE              | AMOUNT        |               |                       |               |                       |
| Construction and Repairs<br>To the Elementary School | 6/1/2003      | \$ 2,418,000.00 | 6/1/2023          | \$ 168,000.00 | 3.750%        | \$ 328,000.00         | \$ 160,000.00 | \$ 168,000.00         |
| Total                                                |               |                 |                   |               |               | \$ 328,000.00         | \$ 160,000.00 | \$ 168,000.00         |

BRADLEY BEACH SCHOOL DISTRICT  
 DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2022

|                                                              | JUNE 30, 2022      |                     |                 | VARIANCE<br>FINAL TO<br>ACTUAL |
|--------------------------------------------------------------|--------------------|---------------------|-----------------|--------------------------------|
|                                                              | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS | FINAL<br>BUDGET |                                |
| Revenues:                                                    |                    |                     |                 |                                |
| Local Sources:                                               |                    |                     |                 |                                |
| Local Tax Levy                                               | \$ 172,300.00      | \$ -                | \$ 172,300.00   | \$ -                           |
| Total Revenues                                               | 172,300.00         | -                   | 172,300.00      | -                              |
| Expenditures:                                                |                    |                     |                 |                                |
| Regular Debt Service:                                        |                    |                     |                 |                                |
| Interest                                                     | 12,300.00          | -                   | 12,300.00       | -                              |
| Redemption of Principal                                      | 160,000.00         | -                   | 160,000.00      | -                              |
| Total Regular Debt Service                                   | 172,300.00         | -                   | 172,300.00      | -                              |
| Total Expenditures                                           | 172,300.00         | -                   | 172,300.00      | -                              |
| Excess/(Deficiency) of Revenues Over/(Under)<br>Expenditures | -                  | -                   | -               | -                              |
| Fund Balance, July 1,                                        | 9.57               | -                   | 9.57            | -                              |
| Fund Balance, June 30                                        | \$ 9.57            | \$ -                | \$ 9.57         | \$ -                           |

**STATISTICAL SECTION (Unaudited)**

Third Section

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**Financial Trends Information**

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

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BRADLEY BEACH SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)

|                                       | 2022                   | 2021                   | 2020                   | 2019                   | 2018                   | 2017                   | 2016                   | 2015                   | 2014                   | 2013                   |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| FISCAL YEAR ENDING JUNE 30,           |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| <b>Governmental Activities:</b>       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Net Investment in Capital Assets      | \$ 2,969,176.00        | \$ 2,948,385.00        | \$ 2,850,550.00        | \$ 2,866,134.00        | \$ 2,827,489.00        | \$ 2,830,314.00        | \$ 2,862,836.26        | \$ 2,799,586.00        | \$ 2,821,441.69        | \$ 2,495,740.09        |
| Restricted                            | 1,239,080.38           | 1,015,874.21           | 935,287.92             | 1,111,356.16           | 927,606.20             | 859,666.96             | 1,003,693.37           | 965,682.85             | 842,854.33             | 1,288,535.71           |
| Unrestricted (Deficit)                | (1,075,449.34)         | (1,213,909.46)         | (1,364,398.18)         | (1,383,690.29)         | (1,304,701.36)         | (1,339,351.38)         | (1,160,450.84)         | (1,110,592.30)         | 131,653.41             | 109,541.03             |
| <b>Total Governmental Activities</b>  | <b>\$ 3,132,807.04</b> | <b>\$ 2,750,349.75</b> | <b>\$ 2,421,439.74</b> | <b>\$ 2,593,799.87</b> | <b>\$ 2,450,393.84</b> | <b>\$ 2,350,629.38</b> | <b>\$ 2,706,078.79</b> | <b>\$ 2,654,676.55</b> | <b>\$ 3,795,949.43</b> | <b>\$ 3,893,816.83</b> |
| <b>Business-Type Activities:</b>      |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Net Investment in Capital Assets      | \$ 1,671.00            | \$ 2,218.00            | \$ 2,766.00            | \$ 3,313.00            | \$ 1,628.43            | \$ 1,769.43            | \$ 2,023.43            | \$ 2,164.43            | \$ -                   | \$ -                   |
| Unrestricted (Deficit)                | 34,719.56              | 28,425.35              | 8,242.07               | 27,802.96              | 31,077.88              | 17,380.22              | 15,114.54              | 12,850.81              | 8,537.13               | 8,095.09               |
| <b>Total Business-Type Activities</b> | <b>\$ 36,390.56</b>    | <b>\$ 30,643.35</b>    | <b>\$ 11,608.07</b>    | <b>\$ 31,115.96</b>    | <b>\$ 32,706.31</b>    | <b>\$ 19,149.65</b>    | <b>\$ 17,137.97</b>    | <b>\$ 15,015.24</b>    | <b>\$ 8,537.13</b>     | <b>\$ 8,095.09</b>     |
| <b>District-Wide:</b>                 |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Net Investment in Capital Assets      | \$ 2,970,847.00        | \$ 2,950,603.00        | \$ 2,853,316.00        | \$ 2,869,447.00        | \$ 2,829,117.43        | \$ 2,832,083.43        | \$ 2,864,859.69        | \$ 2,801,750.43        | \$ 2,821,441.69        | \$ 2,495,740.09        |
| Restricted                            | 1,239,080.38           | 1,015,874.21           | 935,287.92             | 1,111,356.16           | 927,606.20             | 859,666.96             | 1,003,693.37           | 965,682.85             | 842,854.33             | 1,288,535.71           |
| Unrestricted (Deficit)                | (1,040,729.78)         | (1,185,484.11)         | (1,356,156.11)         | (1,355,887.33)         | (1,273,623.48)         | (1,321,971.36)         | (1,145,336.30)         | (1,097,741.49)         | 140,190.54             | 117,636.12             |
| <b>Total District Net Position</b>    | <b>\$ 3,169,197.60</b> | <b>\$ 2,780,993.10</b> | <b>\$ 2,432,447.81</b> | <b>\$ 2,624,915.83</b> | <b>\$ 2,483,100.15</b> | <b>\$ 2,369,779.03</b> | <b>\$ 2,723,216.76</b> | <b>\$ 2,669,691.79</b> | <b>\$ 3,804,486.56</b> | <b>\$ 3,901,911.92</b> |

Source: ACFR Schedule A-1  
\*For the year ended June 30, 2021 net position was reclassified due to GASB 84

BRADLEY BEACH SCHOOL DISTRICT  
 CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)  
 LAST TEN FISCAL YEARS  
 UNAUDITED

|                                                          | 2022             | 2021            | 2020            | 2019            | 2018             | 2017            | 2016            | 2015            | 2014            | 2013            |
|----------------------------------------------------------|------------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Expenses:                                                |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Governmental Activities                                  |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Instruction:                                             |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Regular                                                  | \$ 4,864,814.93  | \$ 4,266,831.37 | \$ 3,924,297.40 | \$ 4,156,205.32 | \$ 4,490,432.37  | \$ 2,332,636.83 | \$ 2,174,127.09 | \$ 1,915,359.32 | \$ 2,371,481.56 | \$ 2,317,613.09 |
| Special Education                                        | 40,830.88        | 35,907.09       | 30,331.44       | 112,047.62      | 207,584.03       | 240,218.87      | 231,612.90      | 234,503.76      | 412,763.03      | 490,545.58      |
| Other Instruction                                        |                  |                 |                 |                 |                  | 103,466.32      | 147,065.97      | 210,269.46      | 104,622.65      | 92,725.00       |
| Other Instruction                                        | 248,289.31       | 209,436.75      | 295,174.47      | 279,121.41      | 262,757.88       | 95,607.67       | 108,828.84      | 83,114.26       | 80,352.00       | 69,146.65       |
| Support Services:                                        |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Tuition                                                  | 1,900,379.88     | 1,910,860.17    | 2,064,449.16    | 1,890,069.54    | 1,714,380.19     | 1,657,019.35    | 1,563,273.69    | 1,616,802.28    | 1,670,170.33    | 1,701,293.89    |
| Student & Instruction Related Services                   | 1,706,900.51     | 1,385,144.39    | 1,349,415.68    | 1,262,168.65    | 1,301,259.82     | 826,804.50      | 758,441.81      | 712,317.34      | 828,313.88      | 786,615.18      |
| General Administrative                                   | 423,540.48       | 378,282.44      | 388,145.25      | 411,678.48      | 405,361.91       | 285,680.43      | 274,570.06      | 282,980.95      | 249,451.02      | 226,613.14      |
| School Administrative Services                           | 18,503.56        | 14,863.42       | 28,196.57       | 40,705.69       | 36,715.31        | 25,620.84       | 24,924.06       | 21,273.94       | 26,812.94       | 27,998.00       |
| Central Services                                         | 301,831.41       | 285,094.62      | 251,069.06      | 258,878.70      | 262,562.72       | 171,068.77      | 165,018.35      | 161,710.22      | 148,177.80      | 143,914.63      |
| Administration Information Technology                    |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Services                                                 | 31,400.45        | 41,843.58       | 35,463.42       | 38,004.21       | 36,078.30        | 28,806.32       | 28,575.12       | 27,159.84       | 26,360.84       | 26,645.71       |
| Plant Operations & Maintenance                           | 818,991.08       | 716,824.62      | 938,104.59      | 854,884.37      | 833,738.45       | 515,217.29      | 514,523.52      | 471,278.88      | 559,821.74      | 514,086.84      |
| Pupil Transportation                                     | 197,134.38       | 158,442.85      | 188,509.13      | 268,883.46      | 306,195.41       | 289,632.60      | 248,335.67      | 168,381.29      | 232,782.04      | 197,693.13      |
| Unallocated Benefits                                     |                  |                 |                 |                 |                  | 1,718,981.44    | 2,344,037.98    | 2,088,142.35    | 652,252.15      | 704,403.04      |
| On Behalf TPAF Pension and Social Security Contributions |                  |                 |                 |                 |                  | 149,541.00      |                 |                 |                 |                 |
| Transfer to Charter Schools                              | 18,590.00        | 12,094.31       | 49,498.20       | 32,672.00       |                  | 57,295.00       | 56,132.00       | 67,034.00       | 61,531.00       | 68,285.00       |
| Interest & Other Charges                                 | 33,462.00        | 39,482.89       | 45,097.36       | 50,405.23       | 33,672.92        | 60,074.50       | 64,639.08       | 69,028.67       | 51,581.16       | 55,620.92       |
| Disposal / Adjustment of Capital Assets                  |                  |                 |                 |                 |                  | 12,056.26       |                 |                 |                 |                 |
| Unallocated Depreciation                                 |                  |                 |                 |                 |                  |                 |                 | 176,314.41      | 181,227.00      | 164,179.93      |
| Total Governmental Activities Expenses                   | 10,604,668.86    | 9,455,108.50    | 9,607,751.73    | 9,655,724.68    | 9,890,739.31     | 8,570,267.99    | 8,704,106.14    | 8,305,670.97    | 7,657,701.14    | 7,587,379.73    |
| Business-Type Activities:                                |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Food Service                                             | 146,918.98       | 133,845.77      | 120,611.16      | 153,803.77      | 153,368.91       | 139,233.17      | 138,882.24      | 128,735.58      | 151,492.78      | 146,727.26      |
| Total Business-Type Activities Expense                   | 146,918.98       | 133,845.77      | 120,611.16      | 153,803.77      | 153,368.91       | 139,233.17      | 138,882.24      | 128,735.58      | 151,492.78      | 146,727.26      |
| Total District Expenses                                  | \$ 10,751,587.84 | \$ 9,588,954.27 | \$ 9,728,362.89 | \$ 9,809,528.45 | \$ 10,044,108.22 | \$ 8,709,501.16 | \$ 8,842,988.38 | \$ 8,434,406.55 | \$ 7,809,193.92 | \$ 7,734,106.99 |
| Program Revenues:                                        |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Charges for Services                                     |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Operating Grants & Contributions                         | \$ 3,542,460.46  | \$ 2,327,085.12 | \$ 1,969,459.40 | \$ 2,408,102.46 | \$ 2,815,660.10  | \$ 595,760.32   | \$ 1,781,386.36 | \$ 1,487,461.18 | \$ 985,497.44   | \$ 1,036,509.36 |
| Total Governmental Activities Program Revenues           | 3,542,460.46     | 2,327,085.12    | 1,969,459.40    | 2,408,102.46    | 2,815,660.10     | 595,760.32      | 1,840,109.01    | 1,519,119.53    | 993,461.11      | 1,038,949.36    |
| Business-Type Activities:                                |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Charges for Services:                                    |                  |                 |                 |                 |                  |                 |                 |                 |                 |                 |
| Food Service                                             | 8,093.75         | 139.45          | 17,775.91       | 29,965.14       | 133,306.91       | 27,450.93       | 27,560.64       | 21,274.81       | 23,089.52       | 24,126.01       |
| Operating Grants & Contributions                         | 160,817.24       | 126,341.60      | 82,726.19       | 122,248.28      |                  | 113,793.92      | 113,444.33      | 103,938.88      | 98,845.30       | 103,066.94      |
| Total Business Type Activities Program Revenues          | 168,910.99       | 126,481.05      | 100,502.10      | 152,213.42      | 133,306.91       | 141,244.85      | 141,004.97      | 125,213.69      | 121,934.82      | 127,192.95      |
| Total District Program Revenues                          | \$ 3,711,371.45  | \$ 2,453,566.17 | \$ 2,069,961.50 | \$ 2,560,315.88 | \$ 2,948,967.01  | \$ 737,005.17   | \$ 1,981,113.98 | \$ 1,644,333.22 | \$ 1,115,395.93 | \$ 1,166,142.31 |

**BRADLEY BEACH SCHOOL DISTRICT**  
**CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

|                                                   | FISCAL YEAR ENDING JUNE 30, |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|---------------------------------------------------|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                                                   | 2022                        | 2021                     | 2020                     | 2019                     | 2018                     | 2017                     | 2016                     | 2015                     | 2014                     | 2013                     |
| Net (Expense)/Revenue:                            |                             |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Governmental Activities                           | \$ (7,062,208.40)           | \$ (7,128,023.38)        | \$ (7,638,292.33)        | \$ (7,214,950.21)        | \$ (7,075,079.21)        | \$ (7,974,507.67)        | \$ (6,863,997.13)        | \$ (6,786,551.44)        | \$ (6,664,240.03)        | \$ (6,548,430.37)        |
| Business-Type Activities                          | 21,992.01                   | (7,364.72)               | (20,109.06)              | (4,503.50)               | (20,062.00)              | 2,011.68                 | 2,122.73                 | (3,521.89)               | (29,557.96)              | (19,534.31)              |
| <b>Total District-Wide Net Expense</b>            | <b>\$ (7,040,216.39)</b>    | <b>\$ (7,135,388.10)</b> | <b>\$ (7,658,401.39)</b> | <b>\$ (7,219,453.71)</b> | <b>\$ (7,095,141.21)</b> | <b>\$ (7,972,495.99)</b> | <b>\$ (6,861,874.40)</b> | <b>\$ (6,790,073.33)</b> | <b>\$ (6,693,797.99)</b> | <b>\$ (6,567,964.68)</b> |
| General Revenues & Other Changes in Net Position: |                             |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Governmental Activities:                          |                             |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Property Taxes Levied for General Purposes, Net   | \$ 6,446,186.00             | \$ 6,319,790.00          | \$ 6,195,873.00          | \$ 5,977,008.00          | \$ 5,859,812.00          | \$ 5,713,964.00          | \$ 5,612,635.00          | \$ 5,502,584.00          | \$ 5,425,641.00          | \$ 5,100,532.00          |
| Taxes Levied for Debt Service                     | 172,300.00                  | 178,300.00               | 173,925.00               | 174,182.00               | -                        | 173,807.00               | 173,358.00               | 172,728.00               | 171,932.00               | 170,957.00               |
| Federal & State Aid Not Restricted                | 763,263.00                  | 880,533.00               | 992,615.00               | 1,058,656.20             | 1,070,716.80             | 1,660,775.84             | 1,089,404.00             | 1,087,214.00             | 1,003,511.41             | 969,326.80               |
| Tuition Received                                  | 22,086.65                   | 18,762.50                | 64,069.84                | 24,780.00                | -                        | 44,260.12                | -                        | -                        | -                        | -                        |
| Miscellaneous Income                              | 24,585.24                   | 23,627.94                | 32,945.16                | 83,887.04                | 3,699.00                 | 26,251.30                | 40,002.37                | 96,675.56                | 12,684.94                | 38,764.39                |
| Special Item - Loss on Disposal of Fixed Ass      | -                           | -                        | -                        | 72,515.00                | (346.00)                 | -                        | -                        | -                        | -                        | -                        |
| Special Item - Transfer to/from Other Funds       | 16,244.80                   | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
| Investment Earnings                               | -                           | -                        | -                        | -                        | -                        | -                        | -                        | -                        | 1,000.00                 | 1,000.00                 |
| <b>Total Governmental Activities</b>              | <b>7,444,665.69</b>         | <b>7,421,013.44</b>      | <b>7,459,428.00</b>      | <b>7,391,028.24</b>      | <b>6,933,881.80</b>      | <b>7,619,038.26</b>      | <b>6,915,399.37</b>      | <b>6,859,201.56</b>      | <b>6,614,769.35</b>      | <b>6,280,580.19</b>      |
| Business-Type Activities:                         |                             |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Transfers In/Out                                  | (16,244.80)                 | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        |
| <b>Total Business-Type Activities</b>             | <b>(16,244.80)</b>          | <b>-</b>                 | <b>-</b>                 | <b>-</b>                 | <b>-</b>                 | <b>-</b>                 | <b>-</b>                 | <b>-</b>                 | <b>-</b>                 | <b>-</b>                 |
| <b>Total District-Wide</b>                        | <b>\$ 7,428,420.89</b>      | <b>\$ 7,421,013.44</b>   | <b>\$ 7,459,428.00</b>   | <b>\$ 7,391,028.24</b>   | <b>\$ 6,933,881.80</b>   | <b>\$ 7,619,038.26</b>   | <b>\$ 6,915,399.37</b>   | <b>\$ 6,859,201.56</b>   | <b>\$ 6,614,769.35</b>   | <b>\$ 6,280,580.19</b>   |
| Change in Net Position:                           |                             |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Governmental Activities                           | \$ 382,457.29               | \$ 292,990.06            | \$ (178,864.33)          | \$ 176,078.03            | \$ (141,197.41)          | \$ (355,449.41)          | \$ 51,402.24             | \$ 72,650.12             | \$ (49,470.68)           | \$ (267,850.18)          |
| Business-Type Activities                          | 5,747.21                    | (7,364.72)               | (20,109.06)              | (4,503.50)               | (20,062.00)              | 2,011.68                 | 2,122.73                 | (3,521.89)               | (29,557.96)              | (19,534.31)              |
| <b>Total District</b>                             | <b>\$ 388,204.50</b>        | <b>\$ 285,625.34</b>     | <b>\$ (198,973.39)</b>   | <b>\$ 171,574.53</b>     | <b>\$ (161,259.41)</b>   | <b>\$ (353,437.73)</b>   | <b>\$ 53,524.97</b>      | <b>\$ 69,128.23</b>      | <b>\$ (79,028.64)</b>    | <b>\$ (287,384.49)</b>   |

Source: ACFR Schedule A-2

**BRADLEY BEACH SCHOOL DISTRICT**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

|                                           | 2022                   | 2021                   | 2020                   | 2019                   | 2018                   | 2017                   | 2016                   | 2015                   | 2014                   | 2013                   |
|-------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>FISCAL YEAR ENDING JUNE 30,</b>        |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| General Fund:                             |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Restricted                                | \$ 1,203,316.19        | \$ 971,020.19          | \$ 935,278.35          | \$ 1,111,346.59        | \$ 927,597.38          | \$ 859,658.89          | \$ 933,146.38          | \$ 804,460.99          | \$ 234,543.83          | \$ 1,237,499.81        |
| Assigned                                  | 109,535.18             | 121,992.65             | 47,615.00              | 29,146.66              | 74,697.78              | 6,584.98               | 73,773.52              | 164,829.31             | 60,274.87              | 51,027.83              |
| Unassigned                                | 215,170.81             | 212,363.96             | 184,218.00             | 182,130.00             | -                      | 189,438.00             | 173,711.00             | 171,382.00             | 729,432.41             | 159,704.59             |
| <b>Total General Fund</b>                 | <b>\$ 1,528,022.18</b> | <b>\$ 1,305,376.80</b> | <b>\$ 1,167,111.35</b> | <b>\$ 1,322,623.25</b> | <b>\$ 1,002,295.16</b> | <b>\$ 1,055,681.87</b> | <b>\$ 1,180,630.90</b> | <b>\$ 1,140,672.30</b> | <b>\$ 1,024,251.11</b> | <b>\$ 1,448,232.23</b> |
| <b>All Other Governmental Funds:</b>      |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Restricted                                | \$ 9.57                | \$ 9.57                | \$ 9.57                | \$ 9.57                | \$ -                   | \$ 8.07                | \$ 7.32                | \$ 5.57                | \$ 8.82                | \$ 8.07                |
| Debt Service Fund                         | 35,754.62              | 44,844.45              | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      |
| Student Activity Fund                     | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      |
| Unassigned, Reported in:                  |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Special Revenue Fund                      | (32,634.00)            | (33,423.00)            | (32,862.00)            | (33,592.00)            | (10,357.47)            | -                      | -                      | -                      | -                      | -                      |
| <b>Total All Other Governmental Funds</b> | <b>\$ 3,130.19</b>     | <b>\$ 11,431.02</b>    | <b>\$ (32,852.43)</b>  | <b>\$ (33,582.43)</b>  | <b>\$ (10,357.47)</b>  | <b>\$ 8.07</b>         | <b>\$ 7.32</b>         | <b>\$ 5.57</b>         | <b>\$ 8.82</b>         | <b>\$ 8.07</b>         |

Source: ACFR Schedule B-1  
 \*For the year ended June, 30, 2021 fund balance was reclassification due to GASB 84

BRADLEY BEACH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)

|                                                                | FISCAL YEAR ENDING JUNE 30, |               |                 |               |               |                 |              |              |                 |                 |
|----------------------------------------------------------------|-----------------------------|---------------|-----------------|---------------|---------------|-----------------|--------------|--------------|-----------------|-----------------|
|                                                                | 2022                        | 2021          | 2020            | 2019          | 2018          | 2017            | 2016         | 2015         | 2014            | 2013            |
| <b>Revenues</b>                                                |                             |               |                 |               |               |                 |              |              |                 |                 |
| Tax Levy                                                       | 6,618,486.00                | 6,498,090.00  | 6,369,798.00    | 6,151,190.00  | 6,033,894.00  | 5,887,771.00    | 5,785,993.00 | 5,675,312.00 | 5,597,573.00    | 5,271,489.00    |
| Tuition Charges                                                | 22,086.65                   | 18,762.50     | 64,069.84       | 24,780.00     | 41,441.51     | 44,260.12       | 58,722.65    | 31,658.35    | 7,963.67        | 2,440.00        |
| Interest Earnings                                              | 54,005.28                   | 40,085.68     | 44,580.50       | 87,838.00     | 36,943.67     | 43,969.51       | 54,701.26    | 116,746.63   | 22,684.94       | 56,819.96       |
| Miscellaneous                                                  | 2,626,271.49                | 2,405,753.42  | 2,334,112.10    | 2,407,548.96  | 2,197,628.34  | 1,893,544.84    | 1,757,199.84 | 1,677,025.10 | 1,588,476.00    | 1,634,730.30    |
| State Sources                                                  | 691,955.93                  | 446,714.95    | 284,138.44      | 345,522.74    | 326,393.24    | 345,273.11      | 368,027.63   | 296,934.01   | 390,532.85      | 353,050.29      |
| Federal Sources                                                |                             |               |                 |               |               |                 |              |              |                 |                 |
| <b>Total Revenues</b>                                          | 10,012,805.35               | 9,409,406.55  | 9,095,698.88    | 9,016,879.70  | 8,636,300.76  | 8,214,818.58    | 8,024,644.38 | 7,797,676.09 | 7,608,230.46    | 7,319,529.55    |
| <b>Expenditures</b>                                            |                             |               |                 |               |               |                 |              |              |                 |                 |
| Instruction:                                                   |                             |               |                 |               |               |                 |              |              |                 |                 |
| Regular Instruction                                            | 3,299,774.90                | 3,169,649.14  | 3,001,621.97    | 2,978,943.60  | 2,900,585.41  | 2,253,354.40    | 2,081,228.54 | 1,915,359.32 | 1,950,783.14    | 1,850,431.68    |
| Special Education Instruction                                  |                             |               |                 | 64,713.36     | 127,933.61    | 224,822.18      | 215,778.37   | 234,503.76   | 321,984.43      | 388,839.60      |
| Other Special Instruction                                      |                             |               |                 |               |               | 92,327.60       | 147,065.97   | 210,269.46   | 104,622.65      | 92,725.00       |
| Other Instruction                                              | 189,160.26                  | 168,233.43    | 213,856.46      | 185,463.66    | 175,326.88    | 95,607.67       | 97,373.36    | 83,114.26    | 80,352.00       | 69,146.65       |
| Support Services:                                              |                             |               |                 |               |               |                 |              |              |                 |                 |
| Tuition                                                        | 1,727,388                   | 1,835,166     | 1,977,756       | 1,743,657     | 1,558,769.52  | 1,657,019.35    | 1,563,273.69 | 1,616,802.28 | 1,670,170.33    | 1,701,293.89    |
| Attendance & Social Work Services                              | 76,896.72                   | 86,154.93     |                 |               |               |                 |              |              |                 |                 |
| Health Services                                                | 113,744.71                  | 109,792.59    |                 |               |               |                 |              |              |                 |                 |
| Student & Instruction Related Services                         | 1,115,801.43                | 916,830.88    | 1,085,284.38    | 975,631.83    | 1,018,771.71  | 806,955.56      | 738,028.42   | 712,317.34   | 638,708.36      | 625,842.46      |
| General Administrative                                         | 265,921.30                  | 262,817.97    | 284,501.34      | 294,276.22    | 299,364.25    | 275,885.48      | 264,496.57   | 282,980.95   | 249,451.02      | 226,613.14      |
| School Administrative Services                                 | 10,685.84                   | 8,517.90      | 9,180.97        | 14,873.11     | 12,711.30     | 22,933.30       | 21,600.09    | 21,273.94    | 26,320.16       | 26,320.16       |
| Central Services                                               | 190,787.46                  | 198,366.29    | 174,722.73      | 176,462.87    | 168,087.89    | 165,828.94      | 159,074.16   | 161,710.22   | 148,177.80      | 143,914.63      |
| Administration Information:                                    |                             |               |                 |               |               |                 |              |              |                 |                 |
| Technology Services                                            | 22,291.36                   | 33,246.15     | 26,743.55       | 28,659.84     | 26,626.67     | 27,430.17       | 27,159.84    | 27,159.84    | 26,360.84       | 26,645.71       |
| Plant Operations & Maintenance                                 | 673,186.51                  | 616,157.87    | 849,822.62      | 733,122.07    | 717,682.63    | 498,622.54      | 499,667.11   | 471,278.88   | 447,718.54      | 422,173.72      |
| Pupil Transportation                                           | 159,520.35                  | 131,429.33    | 160,941.29      | 229,379.74    | 267,914.99    | 289,632.60      | 248,335.67   | 168,381.29   | 232,782.04      | 197,693.13      |
| Unallocated Benefits                                           | 1,743,906.50                | 1,414,793.11  | 1,215,459.70    | 1,231,910.97  | 1,034,786.28  | 1,676,421.82    | 1,567,865.98 | 1,477,906.05 | 1,441,475.89    | 1,554,853.13    |
| Charter Schools                                                | 18,590.00                   | 12,095.00     | 49,498.20       | 32,672.00     |               | 57,295.00       | 56,132.00    | 67,034.00    | 61,531.00       | 68,285.00       |
| Capital Outlay                                                 | 13,088.00                   | 99,565.00     | 6,504.20        |               | 42,603.00     | 6,434.00        | 119,206.01   | 51,120.72    | 408,590.60      | 33,981.30       |
| Debt Service:                                                  |                             |               |                 |               |               |                 |              |              |                 |                 |
| Principal                                                      | 160,000.00                  | 160,000.00    | 150,000.00      | 145,000.00    | 140,000.00    | 135,000.00      | 130,000.00   | 125,000.00   | 120,000.00      | 115,000.00      |
| Interest & Other Charges                                       | 33,962.00                   | 39,962.00     | 45,587.00       | 50,843.25     | 34,081.25     | 60,468.25       | 45,356.25    | 47,731.25    | 51,931.25       | 55,956.25       |
| <b>Total Expenditures</b>                                      | 9,814,705.60                | 9,262,777.60  | 9,251,480.78    | 8,885,609.19  | 8,525,270.39  | 8,346,038.86    | 7,980,202.03 | 7,673,943.56 | 8,001,452.83    | 7,599,715.45    |
| <b>Other Financing Sources/(Uses):</b>                         |                             |               |                 |               |               |                 |              |              |                 |                 |
| Transfers Out                                                  | 16,244.80                   | (27,000.00)   |                 |               |               |                 | (10,000.00)  | (30,000.00)  | (20,000.00)     | (10,000.00)     |
| <b>Total Other Financing Sources/(Uses)</b>                    | 16,244.80                   | (27,000.00)   |                 |               |               |                 | (10,000.00)  | (30,000.00)  | (20,000.00)     | (10,000.00)     |
| <b>Net Change in Fund Balances</b>                             | \$ 214,344.55               | \$ 119,628.95 | \$ (154,781.90) | \$ 131,270.51 | \$ 111,030.37 | \$ (131,220.28) | \$ 34,442.35 | \$ 93,732.53 | \$ (413,222.37) | \$ (290,185.90) |
| <b>Debt Service as a Percentage of Noncapital Expenditures</b> | 2.02%                       | 2.21%         | 2.26%           | 2.25%         | 2.08%         | 2.40%           | 2.22%        | 2.30%        | 2.20%           | 2.30%           |

Source: ACFR Schedule B-2

**BRADLEY BEACH SCHOOL DISTRICT**  
**GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

| FISCAL<br>YEAR ENDING<br>JUNE 30, | INTEREST<br>ON     |                      | MISCELLANEOUS        | TUITION              | REFUND OF<br>PRIOR YEAR<br>TUITION | TOTAL             |
|-----------------------------------|--------------------|----------------------|----------------------|----------------------|------------------------------------|-------------------|
|                                   | INVESTMENTS        | TUITION              |                      |                      |                                    |                   |
| 2022                              | \$ 1,200.00        | \$ 23,385.24         | \$ 22,086.65         | \$ -                 | \$ -                               | 46,671.89         |
| 2021                              | 1,200.00           | -                    | 18,762.50            | 22,427.94            | 22,427.94                          | 42,390.44         |
| 2020                              | -                  | -                    | 64,069.84            | 32,945.16            | 32,945.16                          | 97,015.00         |
| 2019                              | -                  | -                    | 24,780.00            | 83,887.04            | 83,887.04                          | 108,667.04        |
| 2018                              | -                  | 5,869.01             | 35,572.50            | 25,438.35            | 25,438.35                          | 66,879.86         |
| 2017                              | -                  | 26,251.30            | 44,260.12            | -                    | -                                  | 70,511.42         |
| 2016                              | -                  | 40,002.37            | 33,150.00            | -                    | -                                  | 73,152.37         |
| 2015                              | 1,000.00           | 95,675.56            | 31,658.35            | -                    | -                                  | 128,333.91        |
| 2014                              | 1,000.00           | 12,684.94            | 7,963.67             | -                    | -                                  | 21,648.61         |
| 2013                              | 1,000.00           | 38,764.39            | 2,440.00             | -                    | -                                  | 42,204.39         |
| <b>Total</b>                      | <b>\$ 5,400.00</b> | <b>\$ 242,632.81</b> | <b>\$ 284,743.63</b> | <b>\$ 164,698.49</b> | <b>\$ -</b>                        | <b>697,474.93</b> |

Source: District Records



### **Revenue Capacity Information**

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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BRADLEY BEACH SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
 LAST TEN FISCAL YEARS

| FISCAL YEAR ENDED JUNE 30, | VACANT LAND      | RESIDENTIAL         | FARM REG. | QFARM | COMMERCIAL       | INDUSTRIAL      | APARTMENT         | TOTAL ASSESSED VALUE | LESS: TAX EXEMPT PROPERTY | PUBLIC UTILITIES | NET VALUATION TAXABLE | TOTAL DIRECT SCHOOL TAX RATE | ACTUAL (COUNTY EQUALIZED) VALUE |
|----------------------------|------------------|---------------------|-----------|-------|------------------|-----------------|-------------------|----------------------|---------------------------|------------------|-----------------------|------------------------------|---------------------------------|
| 2022                       | \$ 12,948,700.00 | \$ 1,567,199,900.00 | \$ -      | \$ -  | \$ 71,364,200.00 | \$ 1,513,500.00 | \$ 100,880,500.00 | \$ 1,753,906,800.00  | \$ -                      | \$ -             | \$ 1,753,906,800.00   | 0.355                        | \$ 1,753,906,800.00             |
| 2021                       | 13,888,000.00    | 1,364,363,100.00    | -         | -     | 65,782,800.00    | 1,453,500.00    | 89,698,200.00     | 1,535,185,500.00     | -                         | -                | 1,535,185,500.00      | 0.431                        | 1,595,163,652.00                |
| 2020                       | 9,228,500.00     | 1,276,396,100.00    | -         | -     | 72,896,900.00    | 1,453,500.00    | 96,470,700.00     | 1,458,545,700.00     | -                         | -                | 1,458,545,700.00      | 0.446                        | 1,237,510,909.00                |
| 2019                       | 6,357,500.00     | 1,195,977,900.00    | -         | -     | 68,799,200.00    | 1,453,500.00    | 64,350,900.00     | 1,336,939,000.00     | -                         | -                | 1,336,939,000.00      | 0.477                        | 1,226,755,401.00                |
| 2018                       | 7,727,600.00     | 1,052,211,500.00    | -         | -     | 66,107,500.00    | 1,451,300.00    | 60,823,200.00     | 1,186,391,100.00     | -                         | -                | 1,186,391,100.00      | 0.518                        | 1,226,755,401.00                |
| 2017                       | 3,783,700.00     | 1,012,444,400.00    | -         | -     | 68,461,600.00    | 1,445,000.00    | 63,462,700.00     | 1,146,597,400.00     | N/A                       | N/A              | 1,146,597,400.00      | 0.525                        | 1,146,191,500.00                |
| 2016                       | 5,214,700.00     | 1,009,721,500.00    | -         | -     | 64,991,900.00    | 1,445,000.00    | 64,818,400.00     | 1,146,191,500.00     | N/A                       | N/A              | 1,146,191,500.00      | 0.512                        | 1,131,026,920.00                |
| 2015                       | 7,014,300.00     | 991,222,700.00      | -         | -     | 65,292,400.00    | 1,445,000.00    | 66,052,500.00     | 1,131,026,920.00     | 35,130,577.00             | N/A              | 1,095,896,343.00      | 0.510                        | 1,089,715,811.00                |
| 2014                       | 9,162,500.00     | 981,508,000.00      | -         | -     | 62,375,000.00    | 1,526,100.00    | 57,810,300.00     | 1,112,381,900.00     | 37,091,482.00             | N/A              | 1,075,290,418.00      | 0.510                        | 1,089,715,811.00                |
| 2013                       | 9,646,600.00     | 987,756,200.00      | -         | -     | 63,139,400.00    | 1,774,900.00    | 59,463,100.00     | 1,121,780,200.00     | 54,071,400.00             | N/A              | 1,067,708,800.00      | 0.465                        | 1,119,465,470.00                |

Source: Monmouth County Board of Taxation  
 Rent property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.  
 Reassessment occurs when ordered by the County Board of Taxation  
 a. Taxable Value of Machinery, Implements and Equipment of Telephones, Telegraph and Messenger System Companies  
 b. Tax rates are per \$100

**BRADLEY BEACH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(Rate per \$100 of Assessed Value)**

| <u>FISCAL<br/>YEAR<br/>ENDED<br/>JUNE 30,</u> | <u>SCHOOL DISTRICT DIRECT RATE</u> |                                                | <u>OVERLAPPING RATES</u> |                                                                       | <u>TOTAL<br/>DIRECT AND<br/>OVERLAPPING<br/>TAX RATE</u> |
|-----------------------------------------------|------------------------------------|------------------------------------------------|--------------------------|-----------------------------------------------------------------------|----------------------------------------------------------|
|                                               | <u>BASIC RATE</u>                  | <u>GENERAL<br/>OBLIGATION<br/>DEBT SERVICE</u> | <u>TOTAL<br/>DIRECT</u>  | <u>BOROUGH<br/>OF<br/>BRADLEY BEACH</u><br><u>MONMOUTH<br/>COUNTY</u> |                                                          |
| 2022                                          |                                    | 0.012                                          | 0.012                    |                                                                       | 0.012                                                    |
| 2021                                          | 0.419                              | 0.012                                          | 0.431                    | 0.488                                                                 | 1.172                                                    |
| 2020                                          | 0.434                              | 0.012                                          | 0.446                    | 0.513                                                                 | 1.222                                                    |
| 2019                                          | 0.463                              | 0.014                                          | 0.477                    | 0.515                                                                 | 1.266                                                    |
| 2018                                          | 0.503                              | 0.015                                          | 0.518                    | 0.576                                                                 | 1.384                                                    |
| 2017                                          | 0.510                              | 0.015                                          | 0.525                    | 0.604                                                                 | 1.414                                                    |
| 2016                                          | 0.499                              | 0.015                                          | 0.514                    | 0.604                                                                 | 1.398                                                    |
| 2015                                          | 0.496                              | 0.016                                          | 0.512                    | 0.601                                                                 | 1.396                                                    |
| 2014                                          | 0.494                              | 0.016                                          | 0.510                    | 0.588                                                                 | 1.384                                                    |
| 2013                                          | 0.483                              | 0.016                                          | 0.499                    | 0.580                                                                 | 1.369                                                    |

Source: Municipal Tax Collector, Monmouth County Board of Taxation.

BRADLEY BEACH SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAX PAYERS,  
 CURRENT YEAR AND NINE YEARS AGO

| Taxpayer | 2022                         |      | % OF TOTAL<br>DISTRICT NET<br>ASSESSED<br>VALUE |
|----------|------------------------------|------|-------------------------------------------------|
|          | TAXABLE<br>ASSESSED<br>VALUE | RANK |                                                 |

DATA NOT AVAILABLE

|       |      |        |
|-------|------|--------|
| Total | \$ - | 0.000% |
|-------|------|--------|

| Taxpayer | 2013                         |      | % OF TOTAL<br>DISTRICT NET<br>ASSESSED<br>VALUE |
|----------|------------------------------|------|-------------------------------------------------|
|          | TAXABLE<br>ASSESSED<br>VALUE | RANK |                                                 |

DATA NOT AVAILABLE

|       |      |   |
|-------|------|---|
| Total | \$ - | - |
|-------|------|---|

Source: Municipal Tax Assessor

**BRADLEY BEACH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

| FISCAL<br>YEAR<br>ENDED<br>JUNE 30, | TAXES<br>LEVIED FOR<br>THE FISCAL<br>YEAR | COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY |                       | COLLECTIONS<br>IN<br>SUBSEQUENT<br>YEARS |
|-------------------------------------|-------------------------------------------|----------------------------------------------|-----------------------|------------------------------------------|
|                                     |                                           | AMOUNT                                       | PERCENTAGE<br>OF LEVY |                                          |
| 2022                                | \$ 6,618,486.00                           | \$ 6,618,486.00                              | 100.00%               | -                                        |
| 2021                                | 6,498,090.00                              | 6,498,090.00                                 | 100.00%               | -                                        |
| 2020                                | 6,369,798.00                              | 6,369,798.00                                 | 100.00%               | -                                        |
| 2019                                | 6,369,798.00                              | 6,369,798.00                                 | 100.00%               | -                                        |
| 2018                                | 6,033,894.00                              | 6,033,894.00                                 | 100.00%               | -                                        |
| 2017                                | 6,151,190.00                              | 6,151,190.00                                 | 100.00%               | -                                        |
| 2016                                | 5,887,771.00                              | 5,887,771.00                                 | 100.00%               | -                                        |
| 2015                                | 5,785,993.00                              | 5,785,993.00                                 | 100.00%               | -                                        |
| 2014                                | 5,675,312.00                              | 5,675,312.00                                 | 100.00%               | -                                        |
| 2013                                | 5,597,573.00                              | 5,597,573.00                                 | 100.00%               | -                                        |

Source: District records including the Certificate and Report of School Taxes (A4F form)

a. School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

**Debt Capacity Information**

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

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**BRADLEY BEACH SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

| FISCAL<br>YEAR<br>ENDED<br>JUNE 30, | GOVERNMENTAL ACTIVITIES        |                   | TOTAL<br>DISTRICT | PERCENTAGE<br>OF<br>PERSONAL<br>INCOME |     | PER CAPITA |
|-------------------------------------|--------------------------------|-------------------|-------------------|----------------------------------------|-----|------------|
|                                     | GENERAL<br>OBLIGATION<br>BONDS | CAPITAL<br>LEASES |                   |                                        |     |            |
| 2022                                | \$ 168,000.00                  | \$ -              | \$ 168,000.00     | N/A                                    | N/A | N/A        |
| 2021                                | 328,000.00                     | -                 | 328,000.00        | N/A                                    | N/A | N/A        |
| 2020                                | 488,000.00                     | -                 | 488,000.00        | N/A                                    | N/A | N/A        |
| 2019                                | 638,000.00                     | -                 | 638,000.00        | N/A                                    | N/A | N/A        |
| 2018                                | 783,000.00                     | -                 | 783,000.00        | N/A                                    | N/A | N/A        |
| 2017                                | 923,000.00                     | -                 | 923,000.00        | N/A                                    | N/A | 217.38     |
| 2016                                | 1,058,000.00                   | -                 | 1,058,000.00      | 0.36%                                  |     | 248.59     |
| 2015                                | 1,188,000.00                   | -                 | 1,188,000.00      | 0.40%                                  |     | 279.14     |
| 2014                                | 1,313,000.00                   | -                 | 1,313,000.00      | 0.46%                                  |     | 307.13     |
| 2013                                | 1,433,000.00                   | -                 | 1,433,000.00      | 0.57%                                  |     | 361.18     |

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.  
See Exhibit J-14 for personal income and population data.

**BRADLEY BEACH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

| FISCAL<br>YEAR<br>ENDED<br>JUNE 30, | NET<br>GENERAL<br>BONDED<br>DEBT<br>OUTSTANDING | PERCENTAGE<br>OF ACTUAL<br>TAXABLE<br>VALUE OF<br>PROPERTY | PER CAPITA |
|-------------------------------------|-------------------------------------------------|------------------------------------------------------------|------------|
| 2022                                | \$ 168,000.00                                   | 0.01%                                                      | N/A        |
| 2021                                | 328,000.00                                      | 0.02%                                                      | N/A        |
| 2020                                | 488,000.00                                      | 0.03%                                                      | N/A        |
| 2019                                | 638,000.00                                      | 0.05%                                                      | N/A        |
| 2018                                | 783,000.00                                      | 0.07%                                                      | 187.59     |
| 2017                                | 923,000.00                                      | 0.08%                                                      | 219.87     |
| 2016                                | 1,058,000.00                                    | 0.09%                                                      | 205.06     |
| 2015                                | 1,188,000.00                                    | 0.11%                                                      | 280.12     |
| 2014                                | 1,313,000.00                                    | 0.12%                                                      | 308.07     |
| 2013                                | 1,433,000.00                                    | 0.13%                                                      | 334.97     |

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.  
See Exhibit J-6 for property tax data.  
Population data can be found in Exhibit J-14.

**BRADLEY BEACH SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
YEAR ENDED JUNE 30, 2022**

| <b>GOVERNMENTAL UNIT</b>                          | <b>DEBT<br/>OUTSTANDING</b> | <b>ESTIMATED<br/>PERCENTAGE<br/>APPLICABLE</b> | <b>SHARE OF<br/>OVERLAPPING<br/>DEBT</b> |
|---------------------------------------------------|-----------------------------|------------------------------------------------|------------------------------------------|
| Debt Repaid With Property Taxes:                  |                             |                                                |                                          |
| Borough of Bradley Beach                          | \$ 5,224,175.93             | 100.0%                                         | \$ 5,224,175.93                          |
| Other Debt:                                       |                             |                                                |                                          |
| County of Monmouth - Township's Share (%)         | 481,238,392.88              | 1.1656%                                        | <u>5,609,157.97</u>                      |
| Subtotal, Overlapping Debt                        |                             |                                                | 10,833,333.90                            |
| Bradley Beach Borough School District Direct Debt |                             |                                                | <u>168,000.00</u>                        |
| Total Direct & Overlapping Debt                   |                             |                                                | <u><u>\$ 11,001,333.90</u></u>           |

**Sources:** Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation Debt Outstanding data provided by each governmental unit.

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Bradley Beach. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

BRADLEY BEACH SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS  
 (Dollars in Thousands)

|                                                                      | FISCAL YEAR      |                  |                  |                  |                  |                   |                  |                   |                   |                   |
|----------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|-------------------|-------------------|-------------------|
|                                                                      | 2022             | 2021             | 2020             | 2019             | 2018             | 2017              | 2016             | 2015              | 2014              | 2013              |
| Debt Limit                                                           | \$ 44,300,966.96 | \$ 42,355,035.92 | \$ 39,791,273.49 | \$ 37,474,605.56 | \$ 35,002,373.67 | \$ 102,200,486.58 | \$ 99,273,150.30 | \$ 100,447,111.26 | \$ 100,475,128.00 | \$ 102,935,813.00 |
| Total Net Debt Applicable to Limit                                   | 168,000.00       | 328,000.00       | 488,000.00       | -                | 783,000.00       | 923,000.00        | 1,063,000.00     | 1,313,000.00      | 1,433,000.00      | 1,548,000.00      |
| Legal Debt Margin                                                    | \$ 44,132,966.96 | \$ 42,027,035.92 | \$ 39,303,273.49 | \$ 37,474,605.56 | \$ 34,219,373.67 | \$ 101,277,486.58 | \$ 98,210,150.30 | \$ 99,134,111.26  | \$ 99,042,128.00  | \$ 101,387,813.00 |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 0.38%            | 0.77%            | 1.23%            | 0.00%            | 2.24%            | 0.90%             | 1.07%            | 1.31%             | 1.43%             | 1.50%             |

**Legal Debt Margin Calculation**

|      | Equalized Valuation Basis  |
|------|----------------------------|
| 2022 | \$ 1,535,185,500.00        |
| 2021 | 1,476,709,223.00           |
| 2020 | 1,418,201,973.00           |
|      | <u>\$ 4,430,096,696.00</u> |
|      | <u>\$ 1,476,698,895.67</u> |
|      | \$ 44,300,966.96           |
|      | <u>168,000.00</u>          |
|      | \$ 44,132,966.96           |

Average Equalized Valuation of Taxable Property  
 Debt Limit (3% of Average Equalization Value)  
 Net Bonded School Debt  
 Legal Debt Margin

Source: Equalized valuation bases were obtained from the Monmouth County Board of Taxation

### **Demographic and Economic Information**

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**BRADLEY BEACH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

| <b>YEAR</b> | <b>POPULATION (a)</b> | <b>PERSONAL INCOME (b)</b> | <b>PER CAPITA PERSONAL INCOME (c)</b> | <b>UNEMPLOYMENT RATE (d)</b> |
|-------------|-----------------------|----------------------------|---------------------------------------|------------------------------|
| 2022        | N/A                   | N/A                        | N/A                                   | 0.00%                        |
| 2021        | N/A                   | N/A                        | N/A                                   | 0.00%                        |
| 2020        | 4,131                 | N/A                        | N/A                                   | 9.10%                        |
| 2019        | 4,154                 | 342,916,854                | 82,551                                | 3.10%                        |
| 2018        | 4,172                 | 331,553,012                | 79,471                                | 3.70%                        |
| 2017        | 4,198                 | 318,695,368                | 75,916                                | 4.70%                        |
| 2016        | 4,231                 | 309,163,401                | 73,071                                | 5.60%                        |
| 2015        | 4,241                 | 299,745,398                | 70,678                                | 5.60%                        |
| 2014        | 4,263                 | 287,292,096                | 67,392                                | 6.90%                        |
| 2013        | 4,279                 | 273,355,357                | 63,883                                | 5.90%                        |

**Source:** U.S. Department of Commerce, Bureau of Economic Analysis. These numbers are estimated by the Bureau and may be revised from year to year.

a Population information provided by the NJ Dept of Labor and Workforce Development. These numbers are estimated by the Department and may be revised from year to year.

b Personal income has been estimated based upon the county population and per capita personal income presented.

c Per capita personal income by county estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

d Unemployment data provided by the NJ Dept of Labor and Workforce Development. Note that that there is recent revised data for the years 2004 through 2001 due to the new unemployment estimation procedure.

**BRADLEY BEACH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

|                                | 2022      |                                      |
|--------------------------------|-----------|--------------------------------------|
|                                | EMPLOYEES | PERCENTAGE<br>OF TOTAL<br>EMPLOYMENT |
|                                | RANK      |                                      |
| <b>DATA NOT AVAILABLE</b>      |           |                                      |
| Total                          | -         | 0.00%                                |
| Total Employment - (Estimated) | -         |                                      |

|                                | 2013      |                                      |
|--------------------------------|-----------|--------------------------------------|
|                                | EMPLOYEES | PERCENTAGE<br>OF TOTAL<br>EMPLOYMENT |
|                                | RANK      |                                      |
| <b>DATA NOT AVAILABLE</b>      |           |                                      |
| Total                          | -         | 0.00%                                |
| Total Employment - (Estimated) | -         |                                      |

Source: Monmouth County Department of Economic Development and Tourism;  
The Borough of Bradley Beach, Official Statements



### **Operating Information**

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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**BRADLEY BEACH SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
UNAUDITED**

| Function/Program                       | 2022         | 2021         | 2020         | 2019        | 2018        | 2017        | 2016        | 2015        | 2014        | 2013        |
|----------------------------------------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Instruction:                           |              |              |              |             |             |             |             |             |             |             |
| Regular                                | 29.0         | 29.0         | 28.0         | 28.0        | 29.0        | 29.0        | 23.0        | 23.0        | 22.8        | 18.0        |
| Special Education                      | 6.0          | 6.0          | 6.0          | 6.0         | 5.0         | 5.0         | 5.0         | 5.0         | 6.0         | 7.0         |
| Other Special Instruction              | 4.0          | 4.0          | 4.0          | 4.0         | 4.0         | 3.0         | 3.0         | 3.0         | 2.0         | 5.0         |
| Vocational                             | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           |
| Support Services:                      |              |              |              |             |             |             |             |             |             |             |
| Health Services                        |              |              |              |             |             |             |             |             |             |             |
| Student & Instruction Related Services | 8.0          | 8.0          | 8.0          | 8.0         | 8.0         | 8.0         | 9.5         | 9.5         | 9.5         | 6.0         |
| General Administration                 | 1.4          | 1.4          | 1.4          | 1.4         | 1.4         | 1.4         | 1.4         | 1.4         | 1.4         | 1.0         |
| School Administrative Services         | 0.3          | 0.3          | 0.3          | 0.3         | 0.3         | 0.3         | 0.3         | 0.3         | 0.5         | 1.0         |
| Other Administrative Services          | -            | -            | -            | -           | -           | -           | -           | -           | -           | 1.0         |
| Administrative Information Technology  | 0.5          | 0.5          | 0.5          | 0.5         | 0.5         | 0.5         | 0.5         | 0.5         | 0.5         | 1.0         |
| Plant Operations & Maintenance         | 4.5          | 4.0          | 4.0          | 4.0         | 4.0         | 4.0         | 3.0         | 3.0         | 3.0         | 3.0         |
| Pupil Transportation                   | 0.5          | 0.5          | 0.5          | 0.5         | 0.5         | 0.5         | 0.5         | 0.5         | 0.5         | 0.4         |
| Other Support Services                 | 6.8          | 6.8          | 6.8          | 6.0         | 6.0         | 6.0         | 4.5         | 3.5         | 3.5         | 6.0         |
| <b>Total</b>                           | <b>63.00</b> | <b>62.50</b> | <b>60.70</b> | <b>60.7</b> | <b>59.5</b> | <b>52.5</b> | <b>51.5</b> | <b>51.5</b> | <b>50.4</b> | <b>48.4</b> |

Source: District Personnel Records

BRADLEY BEACH PUBLIC SCHOOL DISTRICT  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS  
 UNAUDITED

| FISCAL YEAR | ENROLLMENT  |                 | TOTAL | OPERATING EXPENDITURES (a) | COST PER PUPIL | PERCENTAGE CHANGE | TEACHING STAFF (b) | PUPIL/TEACHER RATIO (d) | AVERAGE DAILY ENROLLMENT (ADE) (c) | AVERAGE DAILY ATTENDANCE (ADA) (c) | % CHANGE IN AVERAGE DAILY ENROLLMENT | STUDENT ATTENDANCE PERCENTAGE |
|-------------|-------------|-----------------|-------|----------------------------|----------------|-------------------|--------------------|-------------------------|------------------------------------|------------------------------------|--------------------------------------|-------------------------------|
|             | IN DISTRICT | OUT OF DISTRICT |       |                            |                |                   |                    |                         |                                    |                                    |                                      |                               |
| 2022        | 235         | 107             | 342   | \$ 8,078,002.11            | \$ 23,619.89   | 10.93%            | 39                 | 1:6.0                   | 231.00                             | 216.00                             | -10.81%                              | 93.51%                        |
| 2021        | 261         | 104             | 365   | 7,771,539.59               | 21,291.89      | -4.33%            | 39                 | 1:6.7                   | 259.00                             | 247.00                             | -5.13%                               | 95.37%                        |
| 2020        | 273         | 115             | 388   | 8,634,901.84               | 22,255.00      | 10.95%            | 38                 | 1:7.2                   | 273.00                             | 266.00                             | -5.54%                               | 97.44%                        |
| 2019        | 295         | 104             | 399   | 8,003,298.91               | 20,058.00      | -1.00%            | 38                 | 1:7.8                   | 289.00                             | 277.00                             | -9.12%                               | 95.85%                        |
| 2018        | 318         | 99              | 417   | 7,705,097.91               | 20,261.77      | 0.00%             | 38                 | 1:8.4                   | 318.00                             | 305.00                             | 10.42%                               | 95.91%                        |
| 2017        | 287         | 94              | 381   | 7,719,794.79               | 20,262.00      | 8.47%             | 35                 | 1:7.8                   | 288.00                             | 275.00                             | -1.71%                               | 95.49%                        |
| 2016        | 297         | 99              | 396   | 7,397,269.26               | 18,680.00      | -1.25%            | 34                 | 1:9.6                   | 293.00                             | 281.00                             | 2.81%                                | 95.90%                        |
| 2015        | 283         | 93              | 376   | 7,112,606.83               | 18,917.00      | -0.86%            | 33                 | 1:9.1                   | 285.00                             | 273.00                             | -3.06%                               | 95.79%                        |
| 2014        | 295         | 92              | 387   | 7,384,239.13               | 19,081.00      | -3.24%            | 33                 | 1:9.6                   | 294.00                             | 282.00                             | 3.52%                                | 95.92%                        |
| 2013        | 284         | 91              | 375   | 7,394,777.90               | 19,719.00      | 2.77%             | 29                 | 1:9.5                   | 284.00                             | 272.00                             | 2.16%                                | 95.77%                        |
| 2012        | 272         | 94              | 366   | 7,022,583.74               | 19,187.00      | 2.76%             | 30                 | 1:9.4                   | 278.00                             | 267.00                             | -2.46%                               | 96.04%                        |

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

**BRADLEY BEACH PUBLIC SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED**

|                                  | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b><u>DISTRICT BUILDINGS</u></b> |             |             |             |             |             |             |             |             |             |             |
| Elementary Schools:              |             |             |             |             |             |             |             |             |             |             |
| Administration Offices (2008):   |             |             |             |             |             |             |             |             |             |             |
| Square Feet                      | 54,061      | 54,061      | 54,061      | 54,061      | 54,061      | 54,061      | 54,061      | 54,061      | 54,061      | 54,061      |
| Capacity                         | 450         | 450         | 450         | 450         | 450         | 450         | 450         | 450         | 450         | 450         |
| Enrollment                       | 235         | 273         | 295         | 318         | 287         | 295         | 295         | 295         | 284         | 272         |

Number of Schools at June 30, 2022:

- Elementary = 1
- Middle School = 0
- Other = 0

**Source: District Facilities Office, District Records**

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

BRADLEY BEACH PUBLIC SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 LAST TEN FISCAL YEARS  
 UNAUDITED

| SCHOOL FACILITIES                               | PROJECT # (s) | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          | 2015          | 2014          | 2013          |
|-------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Elementary Schools:<br>Bradley Beach Elementary | N/A           | \$ 179,013.90 | \$ 179,523.19 | \$ 371,140.86 | \$ 249,972.92 | \$ 253,413.00 | \$ 163,273.40 | \$ 201,456.43 | \$ 166,919.95 | \$ 137,143.40 | \$ 143,301.69 |
| Grand Total                                     |               | \$ 179,013.90 | \$ 179,523.19 | \$ 371,140.86 | \$ 249,972.92 | \$ 253,413.00 | \$ 163,273.40 | \$ 201,456.43 | \$ 166,919.95 | \$ 137,143.40 | \$ 143,301.69 |

Source: District Records

**BRADLEY BEACH PUBLIC SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2022  
UNAUDITED**

|                                                    | Coverage         | Deductible      |
|----------------------------------------------------|------------------|-----------------|
| Package Policy:                                    |                  |                 |
| Property                                           |                  |                 |
| Blanket Building and Contents                      | 16,306,919       | 5,000           |
| EDP Hardware/Software                              | Incl. in Blanket | 1,000           |
| Extra Expense                                      | 50,000,000       | 5,000           |
| Valuable Papers and Records                        | 10,000,000       | 5,000           |
| Special Flood Zones                                | 25,000,000       | 500,000         |
| All Other Flood Zones                              | 75,000,000       | 10,000          |
| Equipment Breakdown                                |                  |                 |
| Property Damage and Extra Expense                  | 16,306,919       | 25,000          |
| Crime                                              |                  |                 |
| Public Employee Dishonesty                         | 50,000           | 500             |
| Loss of Money and Securities                       | 50,000           | 500             |
| Money Orders and Counterfeit                       | 50,000           | 500             |
| Forgery or Alteration                              | 50,000           | 500             |
| Computer Fraud                                     | 50,000           | 500             |
| General Liability                                  |                  |                 |
| Each Occurrence                                    | 31,000,000       |                 |
| Products/Completed Operations                      | 31,000,000       |                 |
| Sexual Abuse                                       | 15,000,000       |                 |
| Sexual Abuse NJSIG Aggregate                       | 27,000,000       |                 |
| Personal and Advertising Injury                    | 31,000,000       |                 |
| Employee Benefits                                  | 31,000,000       | 1,000           |
| Medical Payments                                   | 10,000           | Per Accident    |
| Medical Payments                                   | 5,000            | Per Person      |
| Communicable Disease Outbreak                      | 1,000,000        | per occurrence  |
| Communicable Disease Outbreak                      | 9,000,000        | NJSIG aggregate |
| Business Auto                                      |                  |                 |
| Hired and Non-Owned Auto Liability                 | 31,000,000       |                 |
| <u>Errors and Omissions Liability</u>              |                  |                 |
| Limit of Liability                                 | 31,000,000       | 5,000           |
| Workers Compensation                               |                  |                 |
| Employers Liability Limits                         |                  |                 |
| Bodily Injury By Accident                          | 3,000,000        | Each Accident   |
| Bodily Injury By Disease                           | 3,000,000        | Each Employee   |
| Bodily Injury By Disease                           | 3,000,000        | Aggregate Limit |
| Bonds                                              |                  |                 |
| Secretary/BA Bond                                  | 175,000          |                 |
| Treasurer's Bond                                   | 175,000          |                 |
| Student Accident                                   |                  |                 |
| All Students including Athletics (except football) | 6,000,000        |                 |
| Volunteers                                         | 50,000           |                 |
| Excess Liability                                   |                  |                 |
| Each Occurrence                                    | 25,000,000       |                 |
| Aggregate                                          | 25,000,000       |                 |
| Environmental Liability                            |                  |                 |
| Each Incident                                      | 1,000,000        | 250,000         |
| Aggregate                                          | 1,000,000        |                 |
| First Pary Personal Property                       | 10,000           |                 |
| Cyber Breach Response                              |                  |                 |
| Policy Aggregate of Liability                      | 2,000,000        |                 |
| Agg. Sublimit per Scheduled Insured                | 2,000,000        |                 |

Source: District records

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**SINGLE AUDIT SECTION**

Fourth Section

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1985 Cedar Bridge Avenue, Suite 3, Lakewood, NJ 08701 • Tel: 732.797.1333  
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010  
1415 Hooper Avenue, Suite 305, Unit A, Toms River, NJ 08753 • By Appointment Only  
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## EXHIBIT K-1

### INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable President and Members  
of the Board of Education  
Bradley Beach School District  
County of Monmouth  
Bradley Beach, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Bradley Beach School District (the School District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 16, 2023.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

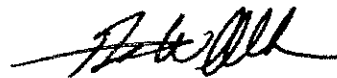
As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Robert W. Allison  
Certified Public Accountant  
Public School Accountant, No. 897

Lakewood, New Jersey  
February 16, 2023



Certified Public Accountants + Advisors

1985 Cedar Bridge Avenue, Suite 3, Lakewood, NJ 08701 • Tel: 732.797.1333  
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010  
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**EXHIBIT K-2**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members  
of the Board of Education  
Bradley Beach School District  
County of Monmouth  
Bradley Beach, New Jersey

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Bradley Beach School District's compliance with types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2022. The Bradley Beach School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Bradley Beach School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Bradley Beach School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts of grant agreements applicable to the School District's federal and state programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB's Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. Allison', written in a cursive style.

Robert W. Allison  
Certified Public Accountant  
Public School Accountant, No. 897

Lakewood, New Jersey  
February 16, 2023

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BRADLEY BEACH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2022

| STATE GRANTOR/PROGRAM TITLE                                | GRANT OR PROJECT NUMBER | AWARD AMOUNT  | GRANT PERIOD   | BALANCE JUNE 30, 2021 | CARRYOVER (WALKOVER) AMOUNT | CASH RECEIVED       | BUDGETARY EXPENDITURES THROUGH TO PASSED THROUGH TO BUDGETARY THROUGH TO PASSED THROUGH TO BUDGETARY | UNEARNED REVENUE | MEMO                  |                  |                     |
|------------------------------------------------------------|-------------------------|---------------|----------------|-----------------------|-----------------------------|---------------------|------------------------------------------------------------------------------------------------------|------------------|-----------------------|------------------|---------------------|
|                                                            |                         |               |                |                       |                             |                     |                                                                                                      |                  | BALANCE JUNE 30, 2022 | UNRECEIVABLE     | RECEIVABLE          |
| <b>New Jersey Department of Education:</b>                 |                         |               |                |                       |                             |                     |                                                                                                      |                  |                       |                  |                     |
| General Aid Public:                                        |                         |               |                |                       |                             |                     |                                                                                                      |                  |                       |                  |                     |
| Social Education Categorical Aid                           | 495-034-5120-089        | \$ 221,110.00 | 7/1/21-6/30/22 | \$ -                  | \$ -                        | \$ 221,110.00       | \$ (221,110.00)                                                                                      | \$ -             | \$ -                  | \$ 21,452.23     | \$ 21,110.00        |
| Security Aid                                               | 495-034-5120-084        | 134,097.00    | 7/1/21-6/30/22 | -                     | -                           | 134,097.00          | (134,097.00)                                                                                         | -                | -                     | 13,010.18        | 134,097.00          |
| Adjustment Aid                                             | 495-034-5120-085        | 286,589.00    | 7/1/21-6/30/22 | -                     | -                           | 286,589.00          | (286,589.00)                                                                                         | -                | -                     | 27,894.05        | 286,589.00          |
| <b>Total State Aid Public</b>                              |                         |               |                |                       |                             | <b>641,796.00</b>   | <b>(641,796.00)</b>                                                                                  |                  |                       | <b>62,356.46</b> | <b>641,796.00</b>   |
| Transportation Aid                                         | 495-034-5120-014        | 85,575.00     | 7/1/21-6/30/22 | -                     | -                           | 85,575.00           | (85,575.00)                                                                                          | -                | -                     | 8,302.54         | 85,575.00           |
| Extracurricular Aid                                        | 495-034-5120-044        | 8,829.00      | 7/1/21-6/30/22 | (6,148.00)            | -                           | 6,148.00            | -                                                                                                    | -                | -                     | -                | -                   |
| Additional Non-Public Transportation Aid                   | 495-034-5120-014        | 3,751.00      | 7/1/21-6/30/22 | (2,180.00)            | -                           | 2,180.00            | (3,751.00)                                                                                           | -                | -                     | -                | 3,751.00            |
| Reimbursed TPAF Social Security Contributions              | 495-034-5094-003        | 220,323.49    | 7/1/21-6/30/22 | (10,264.03)           | -                           | 209,906.17          | (220,323.49)                                                                                         | -                | -                     | (10,417.32)      | 220,323.49          |
| Securing Our Children's Future Bond Act (Alyssa's Law)     | 588-034-5120-001        | 20,000.00     | 7/1/21-6/30/22 | -                     | -                           | 10,264.63           | (20,000.00)                                                                                          | -                | -                     | (20,000.00)      | 20,000.00           |
| TPAF - Post Retirement                                     | 495-034-5094-001        | 247,858.00    | 7/1/21-6/30/22 | -                     | -                           | 247,858.00          | (247,858.00)                                                                                         | -                | -                     | -                | 247,858.00          |
| TPAF - Pension                                             | 495-034-5094-002        | 1,060,854.00  | 7/1/21-6/30/22 | -                     | -                           | 1,060,854.00        | (1,060,854.00)                                                                                       | -                | -                     | -                | 1,060,854.00        |
| TPAF - Long-Term Disability Insurance (Noncash Assistance) | 495-034-5094-004        | 618.00        | 7/1/21-6/30/22 | -                     | -                           | 618.00              | (618.00)                                                                                             | -                | -                     | -                | 618.00              |
| <b>Total General Fund</b>                                  |                         |               |                | <b>(18,992.03)</b>    |                             | <b>2,265,195.80</b> | <b>(2,280,775.49)</b>                                                                                |                  | <b>(34,168.32)</b>    |                  | <b>2,280,775.49</b> |
| Special Revenue Fund:                                      |                         |               |                |                       |                             |                     |                                                                                                      |                  |                       |                  |                     |
| Preschool Education Aid                                    | 100-010-3350-023        | 326,338.00    | 7/1/20-6/30/21 | -                     | -                           | 293,698.00          | (326,338.00)                                                                                         | -                | -                     | 32,634.00        | 326,338.00          |
| Preschool Education Aid                                    | 100-010-3350-023        | 314,275.80    | 7/1/21-6/30/22 | (33,421.94)           | -                           | 33,421.94           | -                                                                                                    | -                | -                     | -                | -                   |
| <b>Total Preschool Education Aid</b>                       |                         |               |                | <b>(33,421.94)</b>    |                             | <b>327,119.94</b>   | <b>(326,338.00)</b>                                                                                  |                  | <b>(32,634.00)</b>    |                  | <b>326,338.00</b>   |
| SDA - Emergent Needs and Capital Maintenance               | 100-034-5120-519        | 6,238.00      | 7/1/21-6/30/22 | -                     | -                           | 6,238.00            | (6,238.00)                                                                                           | -                | -                     | -                | 6,238.00            |
| <b>Total Special Revenue Fund</b>                          |                         |               |                | <b>(33,421.94)</b>    |                             | <b>333,357.94</b>   | <b>(332,566.00)</b>                                                                                  |                  | <b>(32,634.00)</b>    |                  | <b>332,566.00</b>   |
| <b>New Jersey Department of Agriculture:</b>               |                         |               |                |                       |                             |                     |                                                                                                      |                  |                       |                  |                     |
| Enterprise Fund:                                           |                         |               |                |                       |                             |                     |                                                                                                      |                  |                       |                  |                     |
| National School Lunch Program                              | 100-010-3350-023        | 2,735.69      | 7/1/21-6/30/22 | (794.82)              | -                           | 2,542.80            | (2,735.69)                                                                                           | -                | (192.89)              | -                | 2,735.69            |
| National School Lunch Program                              | 100-010-3350-023        | 3,291.43      | 7/1/20-6/30/21 | -                     | -                           | 794.82              | -                                                                                                    | -                | -                     | -                | -                   |
| <b>Total Enterprise Fund</b>                               |                         |               |                | <b>(794.82)</b>       |                             | <b>3,337.62</b>     | <b>(2,735.69)</b>                                                                                    |                  | <b>(192.89)</b>       |                  | <b>2,735.69</b>     |
| <b>Total State Financial Assistance</b>                    |                         |               |                | <b>(52,809.29)</b>    |                             | <b>2,891,891.26</b> | <b>(2,916,977.18)</b>                                                                                |                  | <b>(66,952.21)</b>    |                  | <b>2,816,977.18</b> |

Total State Financial Assistance Subject to Calculation for Major Program Determination

| State Financial Assistance Programs not Subject to Calculation for Major Program Determination: | Amount            |
|-------------------------------------------------------------------------------------------------|-------------------|
| TPAF - Post Retirement                                                                          | \$ 247,858.00     |
| Medical (Noncash Assistance)                                                                    | \$ -              |
| TPAF - Pension                                                                                  | 1,060,854.00      |
| Contributions (Noncash Assistance)                                                              | 618.00            |
| TPAF - Long-Term Disability Insurance (Noncash Assistance)                                      | \$ (1,306,747.18) |

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

**BRADLEY BEACH SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2022**

**Note 1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Bradley Beach School District (the School District). The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**Note 2. Summary of Significant Accounting Policies**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

**BRADLEY BEACH SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2022 (Continued)**

**Note 3. Relationship to Basic Financial Statements**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$12,141.00 for the general fund and \$789.00 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District’s basic financial statements on a GAAP basis are presented as follows:

| <u>Fund</u>                         | <u>Federal</u>       | <u>State</u>           | <u>Total</u>           |
|-------------------------------------|----------------------|------------------------|------------------------|
| General Fund                        | \$ -                 | \$ 2,292,916.49        | \$ 2,292,916.49        |
| Special Revenue Fund                | 691,955.93           | 333,355.00             | 1,025,310.93           |
| Food Service Fund                   | 158,081.55           | 2,735.69               | 160,817.24             |
| Total Awards & Financial Assistance | <u>\$ 850,037.48</u> | <u>\$ 2,629,007.18</u> | <u>\$ 3,479,044.66</u> |

**Note 4. Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**Note 5. Federal and State Loans Outstanding**

The Bradley Beach School District had no loan balances outstanding at June 30, 2022.

**BRADLEY BEACH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

**Section I - Summary of Auditor's Results**

**Financial Statements**

|                                                       |                       |                                    |  |
|-------------------------------------------------------|-----------------------|------------------------------------|--|
| Type of auditor's report issued                       | <u>Unmodified</u>     |                                    |  |
| Internal control over financial reporting:            |                       |                                    |  |
| 1) Material weakness(es) identified?                  | <u>          </u> Yes | <u>      X      </u> No            |  |
| 2) Significant deficiency(ies) identified?            | <u>          </u> Yes | <u>      X      </u> None reported |  |
| Noncompliance material to financial statements noted? | <u>          </u> Yes | <u>      X      </u> No            |  |

**Federal Awards**

|                                            |                       |                                    |  |
|--------------------------------------------|-----------------------|------------------------------------|--|
| Internal control over major programs:      |                       |                                    |  |
| 1) Material weakness(es) identified?       | <u>          </u> Yes | <u>      X      </u> No            |  |
| 2) Significant deficiency(ies) identified? | <u>          </u> Yes | <u>      X      </u> None reported |  |

|                                                                  |                   |
|------------------------------------------------------------------|-------------------|
| Type of auditor's report issued on compliance for major programs | <u>Unmodified</u> |
|------------------------------------------------------------------|-------------------|

|                                                                                                                                 |                       |                         |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------|
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? | <u>          </u> Yes | <u>      X      </u> No |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------|

Identification of major programs:

| <u>CFDA Number(s)</u>     | <u>FAIN Number(s)</u>     | <u>Name of Federal Program or Cluster</u> |
|---------------------------|---------------------------|-------------------------------------------|
| <u>84.425D</u>            | <u>100-034-5120-518</u>   | <u>Education Stabilization Fund:</u>      |
| <u>84.425U</u>            | <u>100-034-5120-523</u>   | <u>CRRSA - ESSER II</u>                   |
| <u>                  </u> | <u>                  </u> | <u>ARP - ESSER III</u>                    |
| <u>                  </u> | <u>                  </u> | <u>                  </u>                 |
| <u>                  </u> | <u>                  </u> | <u>                  </u>                 |

|                                                    |                      |
|----------------------------------------------------|----------------------|
| Dollar threshold used to determine Type A programs | \$ <u>750,000.00</u> |
|----------------------------------------------------|----------------------|

|                                        |                       |                         |
|----------------------------------------|-----------------------|-------------------------|
| Auditee qualified as low-risk auditee? | <u>          </u> Yes | <u>      X      </u> No |
|----------------------------------------|-----------------------|-------------------------|

**BRADLEY BEACH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

**Section I - Summary of Auditor's Results (Continued)**

**State Financial Assistance**

|                                                                                                                   |               |     |                   |               |
|-------------------------------------------------------------------------------------------------------------------|---------------|-----|-------------------|---------------|
| Dollar threshold used to determine Type A programs                                                                | \$            |     | 750,000.00        |               |
| Auditee qualified as low-risk auditee?                                                                            | <u>  X  </u>  | Yes | <u>      </u>     | No            |
| Internal control over major programs:                                                                             |               |     |                   |               |
| 1) Material weakness(es) identified?                                                                              | <u>      </u> | Yes | <u>  X  </u>      | No            |
| 2) Significant deficiency(ies) identified?                                                                        | <u>      </u> | Yes | <u>  X  </u>      | None reported |
| Type of auditor's report issued on compliance for major programs                                                  |               |     | <u>Unmodified</u> |               |
|                                                                                                                   |               |     |                   |               |
| Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08? | <u>      </u> | Yes | <u>  X  </u>      | No            |

Identification of major programs:

| <u>State Grant/Project Number(s)</u> | <u>Name of State Program</u> |
|--------------------------------------|------------------------------|
| 100-010-3350-023                     | Preschool Education Aid      |
|                                      |                              |
|                                      |                              |

**BRADLEY BEACH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

**Section II - Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.



**BRADLEY BEACH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

**Section III - Federal Awards & State Financial Assistance Findings & Questioned Costs**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.

**BRADLEY BEACH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
YEAR ENDED JUNE 30, 2022**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB's Circular 15-08.

**Financial Statement Findings**

No Prior Year Findings.

**Federal Awards**

N/A- No Prior Year Federal Single Audit

**State Financial Assistance**

No Prior Year Findings.